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# WSJ

THE WALL STREET JOURNAL WEEKEND

DOW JONES | News Corp ★★★★★★★★ SATURDAY/SUNDAY, AUGUST 1 - 2, 2026 ~ VOL. CCLXXXVIII NO. 27 WSJ.com ★★★★ $6.00

## What's News

### *Business & Finance*

◆ **The largest U.S. oil** companies reported a blockbuster quarter after the Iran war caused a dislocation in global markets that sent energy prices soaring. **A1**

◆ **BP put its U.K.** North Sea business up for sale, paving the way to end oil production in its home country after more than half a century. **B10**

◆ **Trading Friday pushed** the Dow into positive territory for the month, while the S&P 500 and Nasdaq fell 0.1% and 3.2%, respectively, in July. **B11**

◆ **The closure of the** Strait of Hormuz is prompting companies to raise prices on many products to offset their higher commodity and freight costs. **A1**

◆ **The Fed's chairman** floated to colleagues the prospect of meeting less often, which would mark a substantial shift in the central bank's operations. **A2**

◆ **KKR is near a deal** to take Texas-based medical-device outsourcing company Integer Holdings private. **B11**

◆ **Couche-Tard plans** to acquire Polish convenience retailer Zabka for about $8.7 billion to expand in Central and Eastern Europe. **B10**

◆ **Newell Brands raised** its earnings outlook, expecting that receipts from tariff refunds will help offset the rising cost of supplies. **B10**

### *Worldwide*

◆ **A day after Trump** heralded a breakthrough in Gaza that would lead to the disarmament of Hamas, the militant group and Israel were at odds over what was actually agreed to. **A1**

◆ **Trump ordered a** fresh attack on Iran aimed at getting Tehran to surrender that could begin as soon as this weekend, predicting the country's leaders would buckle. **A8**

◆ **FIFA President** Gianni Infantino abandoned his plan to sell part of the World Cup's commercial rights to private investors in the face of global outrage. **A14**

◆ **New York state sued** Kalshi, alleging the company runs an illegal gambling operation, after talks about tax revenue and customer protections broke down. **A3**

◆ **Former congressman** George Santos will pay more than $35,000 to settle a regulator's claim that he manipulated wagers on Kalshi over whether he would attend the State of the Union. **A3**

◆ **The U.S. Attorney's** Office in Washington, D.C., dropped its case against the three-time Olympian it charged with damaging the Lincoln Memorial Reflecting Pool. **A3**

◆ **Arizona, California** and Nevada would take less water from the Colorado River under a proposal by the federal government to conserve the resource. **A3**

**PEGGY NOONAN**
Anthony Fauci unmasks himself. **A13**


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## Spain Pushes Back After Migrants Rush Enclave

JUAN CARLOS LUCAS/ZUMA PRESS

**CHAOTIC SCENES:** Migrants run back to Morocco after Spanish soldiers moved to secure Ceuta. As many as 60,000 migrants streamed into the Spanish territory in North Africa on Thursday and Friday but authorities said most of them left. **A6**

# 'The Boss Wants This Money': Trump's Fundraising Operation

*By **Josh Dawsey**, **Dana Mattioli**, **Annie Linskey** and **Emily Glazer***

WASHINGTON—Almost every night in the White House, President Trump calls his fundraiser, Meredith O'Rourke, for an update.

Trump asks O'Rourke which companies and donors have cut checks and which haven't, and for how much. He often asks her to make much larger financial requests than she was planning—for some donors the ask is $5 million, for others it is $50 million. And the president gives her names to call, often including people who have recently met with him, according to people with knowledge of the calls.

"This is very important to the president. He's asked me to call you and ask you for this donation," O'Rourke has relayed on phone calls with companies, persistently following up with them. In some calls, she has referred to Trump as the boss, saying "the boss wants this money." In turn, Trump has called her the "princess of darkness" because she is such a "killer" with donors, according to people who have heard his comments.

SoftBank donated $50 million toward Trump's presidential library. Apple cut a check for around $25 million toward his White House ballroom project, while Microsoft gave around $10 million and Amazon chipped in around $5 million, according to people familiar with the contributions. Meta Platforms recently gave $10 million to a Trump-aligned political com-

*Please turn to page A10*

# In War's Turmoil, Oil Giants See Huge Windfall

Industry titans post blockbuster earnings as conflict disruptions stoke energy prices

By Collin Eaton

The largest U.S. oil companies reported a blockbuster quarter after the Iran war caused a dislocation in global markets that sent energy prices soaring.

At ExxonMobil, profits more than doubled from a year earlier to their highest level since 2022, while Chevron reported its highest quarterly earnings on record.

Exxon said high oil-and-gas production and its nearly two dozen refineries from Texas to Singapore pushed earnings to $14.5 billion.

The total was its highest since the peak of an energy crisis kicked off by Russia's invasion of Ukraine.

Chevron reported earnings of $12.1 billion that rose nearly fivefold from the same period last year, driven by record oil-and-gas production and refining throughput.

Both companies raked in cash as the prolonged closure of the Strait of Hormuz waterway between Iran and Oman cut off a big chunk of the world's fuel supplies.

U.S. oil prices climbed as high as $112.95 a barrel in the quarter, and gasoline prices surged to the highest levels in

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◆ **BP looks to sell U.K. North Sea business** ..... **B10**

# Israel, Hamas at Odds On Latest Gaza Plan

*By **Feliz Solomon**, **Suha Ma'ayeh** and **Abeer Ayyoub***

TEL AVIV—A day after President Trump announced a breakthrough that he predicted would see Hamas relinquish its weapons and power in war-torn Gaza, both Israel and the Palestinian militant group appeared at odds over what actually was agreed to—and who should make the first move.

On social media Thursday, Trump said the U.S.-designated terrorist group accepted a plan that would lead to its "complete disarmament." U.S. officials said the plan would include Israel's withdrawal from Gaza. That would be a big step forward in a peace process that has been stagnating as the Trump administration struggles to find a way out of the Iran war.

Trump's optimistic assessment ran up against skepticism in Israel, where many are deeply distrustful that Hamas would willingly disarm, and sets up a potential clash between the White House and Israeli Prime Minister Benjamin Netanyahu.

The Israeli leader, who faces elections this year, is reluctant to accept any plan short of

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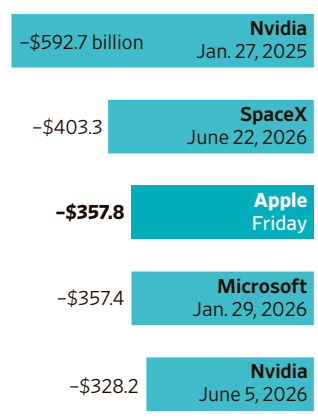
## Apple's Stock Takes Beating

Firm sees its steepest single-session drop in market cap. **B11**

**Largest 1-day market cap declines for U.S.companies**




Sources: Dow Jones Market Data; FactSet

# Investors Cheer Rise In Prices—For Now

By Ryan Dezember

The continuing closure of the Strait of Hormuz is beginning to hit Americans' wallets far beyond the pump. Companies say they are raising prices on products ranging from french fries and beer to paint and packaging to offset their own rising commodity and freight costs.

Samuel Adams brewer Boston Beer, Sherwin-Williams, International Paper and Unilever—maker of Dove soap and Hellmann's mayonnaise—are among the companies that have told investors in recent days that they have raised prices or plan to soon to compensate for more expensive raw materials.

The price increases have been cheered by investors, who have bid up shares of several companies following notice of increases. Sharp gains in shares of manufacturers, materials producers and makers of consumer staples have helped buoy the broader stock market as concerns about the data-center splurge have dragged down technology stocks that powered in-

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◆ **Trump orders new attacks against Iran** ..... **A8**

## *'Naked Dressing' Is Spreading And It's Making Things Awkward*

* * *

Racy outfits pop up at business conferences; 'I have no idea where to look right now.'

By Suzanne Kapner

When Jennifer Epstein wore a sheer lace skirt that showed off her underwear to dinner with her husband, his response—after he regained his ability to speak—was "Where is the rest of your outfit?"

Epstein, a pharmacist in Fort Washington, Pa., said she wasn't looking for his approval. "It feels empowering," the 43-year-old said. "It's a modern kind of feminism that embraces self assurance and femininity on your own terms."

"Naked dressing" started as a look for publicity-seeking celebrities and fashion designers. Now it is migrating from the runways and red carpets to everyday shoppers—and it's not exactly going smoothly.

People are showing up in barely-there outfits to business conferences and weddings, prompting shock and discomfort among other attendees.

When Christian Espinosa walked into a dinner during a cybersecurity conference in Scottsdale, Ariz., he did a double take. Seated near him was

*Please turn to page A10*

# OpenAI Plots Revival After Anthropic's Rise

By Berber Jin

OpenAI, the company that sparked the AI boom, fell behind rival Anthropic. Now, it's fighting for a comeback.

Growth of OpenAI's flagship consumer product, ChatGPT, has slowed. The departure of Fidji Simo, Chief Executive Sam Altman's heir apparent, prompted a reshuffle of responsibilities among his top deputies. And sales staff are locked in a costly battle to win over lucrative business customers by offering volume discounts and other sweeteners.

Some of OpenAI's largest investors have privately expressed concerns about the startup's high cash burn relative to its growth, people involved in those conversations said, while others have hedged their bets on the company by pouring money into Anthropic.

Meanwhile, Anthropic's revenue growth has surpassed OpenAI's, as did its valuation, which is nearing $1 trillion, powered by the success of coding tool Claude Code. It's accelerating plans for a fall initial public offering, kicking off meetings with potential investors in which it has emphasized its lead over the ChatGPT-maker, people familiar with those talks said.

"We did not have our best last 12 months ever, which is mostly my fault, but we are

*Please turn to page A2*

## INSIDE

**EXCHANGE**
The 'Nostradamus of AI' didn't see it coming, and he needed a lifeline from Citadel. **B1**

**SPORTS**
FIFA drops plan to sell part of World Cup's commercial rights to private investors. **A14**

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# U.S. NEWS

CAPITAL ACCOUNT | By Greg Ip

## Tax Capital, Not Labor, to Fix AI Job Loss

Economists don't typically worry about machines replacing people. Job displacement is, after all, a natural byproduct of labor-saving technology.

Artificial intelligence is starting to change that. More than 1,000 economists, including 17 Nobel laureates, were worried enough to sign an online petition circulated recently by Stanford University's Erik Brynjolfsson warning of "large scale job displacement" from AI and pleading for action.

But what action? As it happens, there is one policy response drawing growing support, at least among economists if not legislators: Stop taxing capital more favorably than labor.

This runs counter to decades of tax policy in the U.S. and indeed most advanced nations. To attract investment and boost growth they have lowered taxes on profits, business investment, capital gains and dividends.

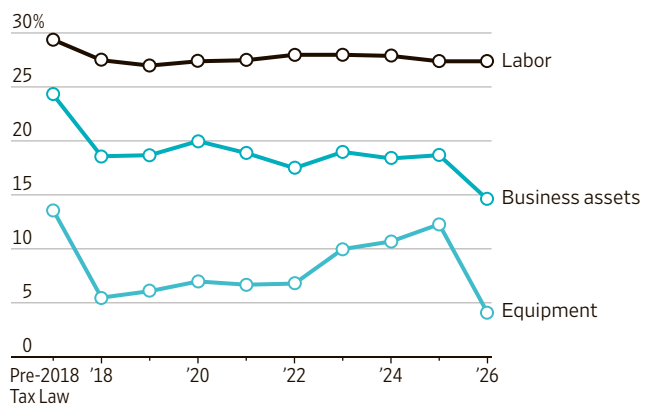
Lower taxes on capital that made sense in normal times might not in the face of a technology that could wipe out jobs to an unprecedented degree. "There's a reasonable case that with the rise in AI, it's more important to protect labor demand than to encourage more capital investment, and therefore capital taxes could be higher," said Harvard economist Doug Elmendorf, a former Congressional Budget Office director.

AI's threat to safety, national security and computer networks is frightening, but we have experience regulating the negative side effects of otherwise helpful products. Nuclear power, for example.

The jobs threat is infinitely more complicated. All labor-saving technology replaces humans. It makes us more productive and wealthy over time. Some jobs are lost in the short run, but even more are created in the long run.

Historically, anyway. With AI, economists have real doubts. A major survey published in March found that in the unlikely yet plausible scenario in which "AI systems surpass humans in most cognitive and physical tasks," economists see roughly 3% of the working-age population gone from the labor force by 2050, and the permanent loss of 10 million jobs.

**Effective marginal tax rate**




Note: Labor includes income and payroll taxes. For business assets and equipment, new investment only. Definitions and methodology might change between years.
Source: Congressional Budget Office

Brynjolfsson, a leading technology economist, says it's in business leaders' "enlightened self interest" to complement rather than replace workers with AI. "We are right now steering them in the wrong direction."

But how to steer them? If complementing rather than replacing workers is more profitable, successful firms will choose that path without government intervention. If replacement is the more efficient path, a firm that refuses to cut jobs will lose to one that does.

Retraining those displaced by AI is probably the most popular policy response. But it's unclear what workers should be retrained to do. Five years ago, everyone was told, "learn to code," said Pascual Restrepo, a Yale economist. "That career advice has gone out the window. ... We don't know in which order AI is going to advance and make leaps."

Then there are ideas for compensating job losers such as wage insurance or "universal basic income." But they don't preserve employment.

To actually discourage AI-driven job replacement, some call for a "compute" or "robot" tax, perhaps levied on tokens (the unit of AI usage). This, though, could be a nightmare to design and administer, and discourage the use of AI to benefit all humanity, such as new drug discovery.

That brings us to the tax system. The case for low taxes on capital is that this boosts investment, which raises productivity and, ultimately, wages.

The bipartisan drive for lower capital taxes goes back decades, to accelerated depreciation (that is, expensing buildings and equipment faster than they wear out) in 1954 and the investment tax credit in 1962. From the 1980s through the 2000s, depreciation became even more generous, while taxes were trimmed on capital gains and dividends.

The most sweeping reductions came in the 2017 tax bill that slashed the corporate rate to 21% from 35% and temporarily allowed immediate 100% expensing of many capital expenditures.

That 100% expensing provision was restored and made permanent last year. The upshot is that since 2017, the marginal tax rate on new equipment dropped to 4% from 14% while the marginal rate on labor edged down to 27% from 29%, the CBO said.

In theory, taxing capital would slow AI's deployment. It would also deter non-AI investment, a potential drawback. In practice, how much tax rates alter investment decisions isn't clear. One study found the 2017 tax cuts did boost investment, while raising economic output over the long run by less than 1%.

Still, even if capital taxes have little effect on AI deployment, there is another consideration. The share of national output going to capital instead of labor is at an all time high, and AI promises to push it even higher. As long as capital tax rates remain low, that limits how much new revenue flows into the Treasury. Narrowing the imbalance in taxes on capital and labor is one way of dealing with the largest peacetime deficits on record.

## Fed Chair Floats Meeting Less Often

By Nick Timiraos

Federal Reserve Chairman Kevin Warsh this week floated to colleagues the prospect of meeting less often, which would mark a substantial shift in its operations, according to people familiar with the matter.

Warsh last week presided over his second meeting of the 12-person Federal Open Market Committee, which convenes in Washington eight times a year to determine where to set interest rates. The idea of fewer meetings was presented as a subject for discussion rather than a formal proposal, and a brief discussion centered on whether there would be benefits from meeting six times a year, these people said. The New York Times earlier reported about the discussion.

The idea offers a window into the Fed that Warsh is trying to build—one that speaks less often and commands less of the market's attention. In his first two meetings as chairman, the committee has issued a shorter statement. This week, Warsh said he expected to continue holding a new conference after every meeting this year; he hasn't said whether that will continue.

Reducing the number of meetings would be in the same spirit: fewer scheduled occasions on which the Fed is the main event.

Any change would face near-term practical constraints. Last September, the Fed published its tentative meeting dates through January 2028. Events and other commitments have been scheduled around the existing calendar, as have certain contracts for interest-rate futures.

The Fed's governing law says the FOMC must meet at least four times a year. The eight meeting schedule dates to 1981. The committee's governing procedures say that the chair or any three members of the committee can call a meeting.

Warsh has advocated a similar change before. In a 2014 review of the Bank of England's transparency practices, commissioned by then-Governor Mark Carney, Warsh recommended the bank cut its policy meetings to eight a year from 12, which brought the bank into line with the Fed and the European Central Bank. The thinking was that judgments about the economy rarely shift much over four weeks and that fewer meetings would give policymakers more time for reflection. The bank accepted the recommendation and moved to the new schedule in 2016.

At his confirmation hearing, Warsh was asked whether he would keep the eight-meeting schedule and declined to commit either way.

Fewer meetings could concentrate rather than diffuse market attention as each meeting becomes a bigger event.

While the Fed has the capacity to meet by videoconference, such unscheduled meetings have typically generated outsize attention because they signal a significant degree of urgency.

## Barkin Says Next Move On Rates Is Hard Call

By Nick Timiraos

Richmond Fed President Tom Barkin said it is "a close call" whether the central bank's interest-rate setting is high enough to bring inflation down, and that he didn't know whether he would have joined three fellow regional Fed presidents who voted this past week for higher rates.

"I think there is a strong case there" for adding restraint and taking back some of last year's rate cuts, Barkin said Friday. After a softer inflation reading in June, "I think you could also make a case...that there's time before the next set of meetings" to determine whether the current setting is adequate, he said.

The Fed held its benchmark rate steady Wednesday in a range between 3.5% and 3.75%, where it has been since December, at Chairman Kevin Warsh's second meeting leading the central bank.

Barkin doesn't vote on rate decisions until next year. In nine years as Richmond Fed president, he has built a practice of describing what he is learning from businesses, colleges and community groups in his district rather than opining on where rates should go.

He says his views on interest-rate policy can be more influential if shared privately with the chair and his colleagues rather than "in the public square," he said.

The Fed cut interest rates by 1.75 percentage points over the past two years to guard against the risks of a weakening labor market amid signs inflation was heading to its 2% goal. But inflation has defied those forecasts this year, pressured in part by tariffs, energy markets roiled by the Iran war, and the AI build-out.

"That just gets to the question of...are rates still restrictive today like you thought they were? And if you don't think rates are that restrictive today, the evidence for that could be nominal consumption or the AI investment boom," or signs of healthy loan demand from banks, he said. "Do you have to add some restraint? I think that's the question," he added.

The softer June consumer prices report didn't settle the question. Barkin called the decline in underlying inflation "a positive sign" but added, "you have to be open in these jobs to ask yourself whether you're getting enough restriction or whether you need more."

Barkin was skeptical the labor market has strengthened meaningfully. "It does not feel like a tight labor market," he said.

## *How OpenAI Fell Behind Anthropic*

*Continued from Page One*

about to have our best 12 months to date," Altman posted on X in July.

OpenAI's challenges in trying to regain its crown are rooted in a misreading by company leaders of where the AI market was headed. Its predicament speaks to the intense competition that defines the race for AI supremacy.

Altman staked the growth of the business on ChatGPT, betting that more people would subscribe to the chatbot as AI became a bigger part of their lives. Instead, the overnight success of Claude Code made clear that the bigger prize came from selling tools to software developers and the deep-pocketed companies that employed them.

While OpenAI pursued flashy projects, from a video generator to consumer devices and chips, its smaller, more focused rival filled in the gap, developing a hit coding tool that helped it seize the lead.

As it chases its top competitor, OpenAI has released a series of new models focused on coding and other professional work, and put its president, Greg Brockman, in charge of revamping its product lineup. It also struck a deal with Amazon.com to sell AI tools to the cloud giant's customers and hired former Slack CEO Denise Dresser to become its first chief revenue officer.

"I think that now we're at a point where it feels like we have this really humming machine," Brockman said at a July media lunch.

Executives are still trying to figure out the most effective pricing plans for its Codex enterprise product, including price cuts that could help it gain market share, though that risks eroding closely watched profit margins ahead of an IPO.

OpenAI may now wait until next year to go public, people with knowledge of the plans said. When it filed to go public a week after Anthropic, it hedged on timing, saying "it may be a while" because there are "things we want to do that are likely easier as a private company."

OpenAI was initially well positioned for the enterprise business it is now trying to land. It launched a series of so-called reasoning models in the fall of 2024 that were able to work through problems step-by-step before answering, a capability that turned out to be well-suited for writing code. But researchers trained those models to ace coding problems from high-school competitions, not to handle the messier, more open-ended work of building software.

Anthropic took the opposite approach with its own reasoning model, called Sonnet 3.7, a few months later. In a February 2025 blog post, the company said it was focused on "real-world tasks" that reflected how businesses actually used AI.

AL DRAGO/BLOOMBERG NEWS

OpenAI's Sam Altman in Washington this past week.

OpenAI gave employees early access to a new version of Codex last year, expecting it to be an instant hit, particularly among software engineers who had long been tracking the technology's progress.

Instead, usage was lower than anticipated, frustrating executives who repeatedly flagged the issue internally.

At first, the challenges with Codex appeared to be a blip. ChatGPT's weekly active users continued to climb, as did the company's valuation. In August, OpenAI brought in Simo, the former Instacart CEO, to help prepare it for a blockbuster IPO.

Instead, Codex's troubles turned out to be an early warning sign. After OpenAI announced the tool publicly in May, it underperformed expectations. Software engineers flocked to Claude Code.

**ChatGPT's growth tapered after Google's chatbot began to surge.**

Many developers felt that Codex was too slow and clunky to use, leading OpenAI to change the product to more closely mimic Anthropic's. The company also created a team tasked with making sure new models were designed in a way that customers found useful.

But executives were also distracted by other, more pressing issues, such as fending off a talent raid launched by Meta Platforms CEO Mark Zuckerberg and fixing a worsening relationship with Microsoft, its largest investor. They spent precious computing resources on other projects that flopped, including the video-generator app Sora.

By the time the company turned its attention back to Codex, it was already behind.

Executives released a new model, GPT-5.2, in December, focused on coding and other professional tasks, overruling some employees who asked to push back its release so the company could have more time to make it better.

When the company heard Anthropic was in talks to partner with Cerebras, a startup that had built a specialized chip to process coding tasks at a rapid clip, it rushed to sign a deal of its own in an effort to box out its rival, people familiar with the matter said.

It wasn't enough to stem the bleeding.

While Altman visited St. Barts during the December holiday break, coders in San Francisco spent hours on so-called "Claude-benders," marveling at capabilities enabled by a new Anthropic model called Opus 4.5. Anthropic then went on a multimonth growth streak that surprised even its own leaders.

Meanwhile, ChatGPT's growth suddenly tapered off after Google's own consumer chatbot began to surge in popularity. The company missed an internal goal of hitting 1 billion weekly active users by the end of the year, although it hit the figure recently.

Before long, Anthropic's growth rate surged past OpenAI's, as did its valuation—and OpenAI found itself waging two separate battles as its lead in the AI race came under siege.

When executives pitched senior leaders at Blackstone on a partnership to create a company to sell AI tools to the private-equity giant's portfolio companies, they didn't bite. Blackstone went with Anthropic for the project instead. OpenAI later struck a separate deal with other private-equity players.

Simo, who recently left the company after a health condition worsened, said the company had lost its way chasing "side quests" and had fallen behind its rival in both research and product.

Anthropic's revenue "is a proxy for how well they are accomplishing their mission," she said. "And the fact that they are accelerating such a big part of the economy should be a real wake up call for us."

OpenAI recently released a "super app" that integrates Codex with ChatGPT and a web browser, and said it has boosted the number of users for the new product, plus the standalone Codex app, to 10 million users.

In July, it released a new model that became an instant hit with developers—and led Anthropic to extend access to its powerful Fable model to compete.

## CORRECTIONS & AMPLIFICATIONS

**A bike-lane project** in Chicago reduced the number of parking spaces on one side of Archer Avenue to four from about a dozen. A U.S. News article on Friday about Chicago bike lanes didn't make clear that the number of spaces was for only one side of the street.

**California Attorney General** Rob Bonta said he favors a 2027 start date for an antitrust trial concerning Paramount and Warner Bros. Discovery. A Business & Finance article on Tuesday about the companies incorrectly said Bonta favors a January 2027 start date.

Readers can alert The Wall Street Journal to any errors in news articles by emailing **wsjcontact@wsj.com** or by calling 888-762-5450.

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# Colorado River Cuts Proposed for Three States

JOHN LOCHER/AP

Three western U.S. states would take less water from the Colorado River under a federal proposal released Friday to stave off a crisis in the beleaguered waterway.

The U.S. Bureau of Reclamation proposal spares four other states from facing mandatory cuts for now. It's meant to be flexible, allowing deeper cuts in drier times while giving the states more time to collectively agree on how to manage the dwindling resource that flows through dams to produce hydropower. (Hoover Dam, above)

Arizona, California and Nevada could together be forced to reduce their use by up to 3 million acre-feet annually through 2036—about the amount that Arizona and Nevada receive and enough to serve more than 25 million people a year. The actual reductions would be determined every two years.

Arizona and Nevada have faced mandatory reductions before, but the proposal outlines deeper cuts that could impact agriculture, cities and tribes. It could translate into higher water prices.

*—Associated Press*

# New York Sues Kalshi as Talks Break Down

By Kevin T. Dugan And Katherine Long

New York state doubled down on its fight to rein in prediction markets by suing Kalshi, alleging the company runs an illegal gambling operation, after weeks of negotiations over tax revenue and customer protections broke down.

The suit filed Friday by New York Attorney General Letitia James targets the biggest prediction market operator in the U.S. in a nascent industry where users can wager on just about anything. Earlier this year, James also sued Coinbase and Gemini for offering prediction markets.

The attorney general's office is asking the court to ban Kalshi from operating in New York without a gambling license and to force it to forfeit all of its gains. Should the state succeed, it could wring as much as $36 billion from Kalshi in penalties and disgorgement.

Kalshi spent weeks trying to head off the suit, according to a person familiar with the matter. Starting around early July, the company proposed several framework agreements that would have bound it to following existing customer protections laws in the state.

Some of the proposals were in line with Kalshi's practices, such as allowing users to bar themselves from being able to trade—an option called self-exclusion that casinos are required to follow. Other topics included rules around marketing and advertising.

The company also proposed a state tax revenue agreement similar to one in North Carolina, that will charge a 6% tax on prediction market trades—far below the 23% to be charged on traditional gambling earnings. The New York proposal would have raised $10 billion in five years, according to the person familiar with the matter.

States generally argue that prediction markets offer unlicensed sports betting operations and should be subject to state gambling regulations and taxes. Kalshi and other prediction markets argue that states have no right to regulate them, since their markets are more akin to Wall Street trading overseen by the Commodity Futures Trading Commission.

"States can't just shut down a federally licensed exchange," said Kalshi spokeswoman Elisabeth Diana, calling the lawsuit "political theater."

# Charges Dropped in Lincoln Pool Case

By Lydia Wheeler

The U.S. Attorney's Office in Washington is dropping its case against the three-time Olympian it charged with damaging the Lincoln Memorial Reflecting Pool, saying it learned the problems that have plagued the renovated pool were caused by a "botched installation not vandalism."

In a court filing Friday, Jeanine Pirro's office asked a D.C. judge to dismiss the criminal indictment against David Hearn, a former canoe racer, saying documents recently produced by the Interior Department "significantly undermine" the evidence that was the basis for charging him with a felony for destruction of property.

DANIEL HEUER/BLOOMBERG NEWS

**Olympian David Hearn, center, with his legal team in July.**

"Finally, a recent visual inspection showed damage throughout the Reflecting Pool, even in the middle of the pool, where a vandal would not likely attempt to peel the lining," Pirro's office wrote in the court filing. "Given all of this newly discovered information, it is difficult to attribute the widespread damage to the Reflecting Pool to vandalism."

President Trump blamed vandals for the problems that appeared after he had the pool bottom resurfaced to turn the landmark's gray basin blue in time for American's 250th birthday. The government awarded the resurfacing contract to Virginia-based Atlantic Industrial Coatings without a full bidding process.

Pirro's office blamed the Interior Department for providing "less than fulsome information" at the outset of the case and said it wouldn't have sought a grand jury indictment had the agency been forthcoming with the information that was "clearly in its possession."

Hearn's lawyers said the case never should have been brought and the Trump administration owes their client an apology.

"Its dismissal today does not erase the abuse of government power in arresting and charging a patriotic American who did nothing wrong," they said. "The government's approach was ready, fire, aim."

# Santos Settles Probe Over Prediction Markets

By Victoria Albert

Former congressman George Santos will pay more than $35,000 to settle a regulator's claim that he manipulated wagers on prediction market Kalshi over whether he would attend the State of the Union.

The Commodity Futures Trading Commission said Santos made more than $17,000 by making timely bets on his attendance at the president's annual address to Congress. The regulator accused him of making misrepresentations and omissions on social media that influenced the price of his positions and said he improperly traded on an event that he had the power to influence.

Santos's attorney Joseph Murray acknowledged his client made bets about his State of the Union attendance but denied that the ex-congressman intentionally manipulated the market. "He chose a prompt, practical resolution rather than protracted, costly litigation," Murray said. "And that choice should not be mistaken for an admission of any wrongdoing."

As part of the agreement, Santos was ordered to return $17,570 in profits and pay a $17,500 penalty. He will also face a three-year trading ban.

Santos, a New York Republican, was expelled from the House in 2023, and in 2024 he pleaded guilty to federal charges of wire fraud and identity theft. President Trump commuted his sentence.

According to the CFTC, Santos first bet that he would attend the event in February. He made roughly $3,500 on that position after posting about what kind of suit he should wear, the regulator said.

After severe weather jeopardized his travel plans, Santos allegedly bought more than $8,500 in contracts saying he wouldn't attend the event. He sold those contracts for a profit after multiple misleading social-media posts, the CFTC said.

# Hospitals Take a Hit as More Go Uninsured

By Anna Wilde Mathews

Suzanne Mercer and her husband, Kip, lost their Affordable Care Act plan this year because they couldn't afford to pay more than $4,000 a month for the coverage. The couple, who manage a condominium complex in the Florida Keys, have stopped going to see their doctors.

Mercer, 59 years old, also hasn't gotten a follow-up scan a doctor ordered after a mammogram in December turned up a concerning spot. "It's awful, you just cross your fingers," she said. "I just don't want to know right now, because I can't do anything about it."

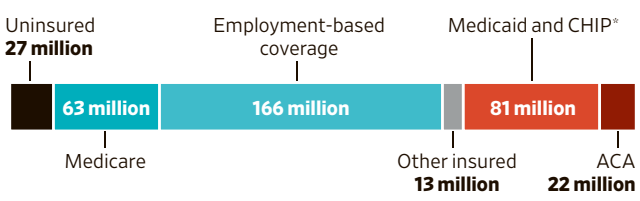
Mercer is one of millions of Americans going without health insurance after the ending of federal subsidies that kept their health premium bills down. The loss is starting to bleed into the wider healthcare economy.

In recent earnings reports, hospital companies including **Tenet Healthcare**, **Universal Health Services** and **Community Health Systems** all cited growing costs from patients who didn't have health coverage—in the case of **HCA Healthcare**, a $400 million drag on profit in the second quarter.

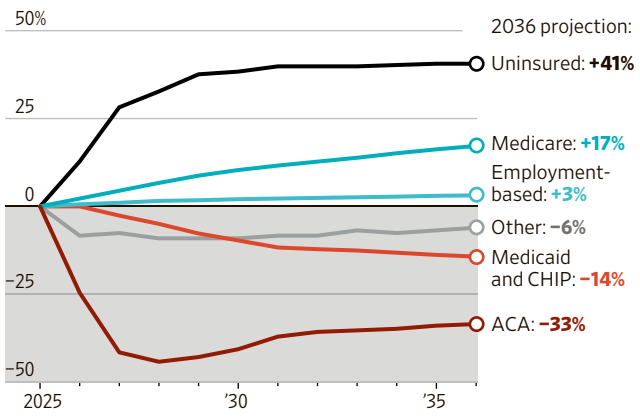
**Intuitive Surgical**, maker of da Vinci robot-assisted surgery machines, and lab operators **Quest Diagnostics** and **Labcorp Holdings** said their businesses are being affected, too.

The number of people with plans under the ACA fell by about 2.6 million as of February, compared with a year earlier. The drop came as people dropped plans that in some cases started costing them twice as much after enhanced federal subsidies lapsed at the start of this year.

**Number of people by health-insurance coverage in the U.S., 2025**




**Projected change in health-insurance coverage from 2025**




*Children's Health Insurance Program
Note: 2025 estimate is preliminary and subject to revision. Estimates and projections are the annual averages across all months within a year. Some people have multiple sources of coverage.
Source: Congressional Budget Office

ANDREW MOLLICA/WSJ

The ACA drop-offs varied by state. Some of the steepest were in Ohio, Oklahoma and Arizona, said KFF, a health-research nonprofit. Insurers and actuaries expect enrollment will fall further this year.

Nearly all of those letting their ACA plans go appear to be dropping insurance altogether, hospital company executives said, which is more than HCA and some others had expected.

"For us, obviously, it's not a good thing," said HCA Chief Executive Samuel Hazen in a call with analysts last week. "We still have to take care of these patients, and we do, and our people do a wonderful job, but it does put pressure on" the profit and loss statement.

The problems for hospitals are set to grow, with Medicaid adding federal work requirements next year. Already, Medicaid enrollment is ticking downward this year. The Congressional Budget Office projects a further 4.1 million people will lose coverage in 2027.

For hospitals, uninsured patients bring a financial double whammy. They often stop coming for elective procedures, hurting revenue. Yet the bigger blow hits when patients without coverage come to the emergency room. Hospitals are required to treat and stabilize them, but they typically don't get paid. The hospitals can provide the care free of charge or at discounted rates through financial assistance, or try to charge patients. But often those patients can't pay, leaving their bills to become bad debt that erodes hospital profits.

"We still provide care for all those that show up that need it," said Ryan Cross, chief government affairs officer at FMOL Health, a 10-hospital Catholic nonprofit based in Baton Rouge, La. The system's monthly bad-debt write-offs jumped about 23% in the second quarter of 2026, compared with the first, he said.

Banner Health, a 33-hospital system based in Arizona, has seen emergency-room visits grow 10% this year for patients who lost ACA coverage, and 13% for people who lost Medicaid. Among the conditions being treated are diabetes, congestive heart failure and chronic obstructive pulmonary disease.

CEO Amy Perry said Banner has seen uninsured patients stop coming in for preventive tests and regular checkups, and the nonprofit expects a rising need for serious emergency care later this year. "These things can be delayed for a certain amount of time," she said, but eventually that catches up with people. "Unfortunately, we're expecting a crisis at the end of this year."

Hospitals are also experiencing a squeeze from patients who tried to keep their bills down by switching to cheaper plans with higher out-of-pocket charges, said Andrew Cooper, an analyst with Raymond James. Deductibles can be $6,500 or higher. For many, "that's a big chunk of your annual income and not something that you're able to pay," he said.

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# Fauci Confronts Challenge to His Legacy

## Nation's most prominent doctor during Covid stays silent during hearing

By Sabrina Siddiqui And Liz Essley Whyte

ALLISON ROBBERT/AP

Dr. Anthony Fauci invoked the Fifth more than 100 times during a combative Senate hearing this past week.

WASHINGTON—Dr. Anthony Fauci and his lawyers knew that invoking his Fifth Amendment right against self-incrimination during a congressional hearing this past week was a gamble. The doctor millions trusted through the pandemic risked looking like a man with something to hide.

His team decided it was his best play, according to people familiar with his legal strategy—because his alternatives were worse. His lawyers believed that answering could open him up to a perjury charge from Republican opponents hunting for discrepancies in his near constant stream of statements during the chaos of the pandemic. Refusing to testify at all could land a contempt-of-Congress referral at President Trump's Justice Department.

So this past week Fauci invoked the Fifth more than 100 times during a combative Senate hearing, sitting silently as frustrated Republican senators peppered him with expletives and accusations.

"You have for years avoided responsibility," said Sen. Rand Paul (R., Ky.), who led the charge against Fauci. "Loss of trust may be your most damaging legacy."

### 'Unimaginable' fame

The scene marked a staggering shift for a man who, at the height of the pandemic, marveled at his own "unimaginable" fame. Americans sported socks and bobbleheads with his face. Time magazine put him on its cover.

Now, despite a pre-emptive pardon from former President Joe Biden, Fauci is confronting the biggest challenge to his legacy to date. Republicans are pointing to private and sometimes embarrassing journals released before the hearing to argue he misled the public about the origins of Covid-19 and the merits of pandemic-era restrictions. And while polls taken before the journals were released show a majority of Americans still trust Fauci, public opinion around the pandemic health measures he championed—and the deference owed to scientific expertise—has shifted.

"He was a hero until he wasn't," said Dr. Jeanne Marrazzo, who succeeded Fauci as head of the National Institute of Allergy and Infectious Diseases and who was fired during the second Trump administration.

A spokesman for Fauci declined to comment.

An Annenberg Public Policy Center survey earlier this year found that 54% of Americans have confidence in Fauci to provide trustworthy public-health information. Some 38% said the same of Health and Human Services Secretary Robert F. Kennedy Jr.

Still, confidence in Fauci has declined from the 71% support he enjoyed in an April 2021 Annenberg poll.

Fauci faced repeated death threats during and after the pandemic, prompting Biden to authorize a federal security detail even after his retirement, according to a person familiar with the decision. Trump revoked that protection shortly after taking office.

Fauci was also among a handful of officials who received a pre-emptive pardon—which wouldn't cover present-day congressional testimony—from Biden in one of his final acts as president.

Ellen Sigal, a cancer-research advocate and friend and former neighbor of Fauci's, said the doctor would have answered questions if he felt the process was legitimate. "He had no choice unfortunately because this clearly was not a hearing that was looking for the facts," Sigal said.

Paul, the Kentucky Republican who chairs the Senate Committee on Homeland Security and Governmental Affairs, has been a longtime Fauci critic. He has accused the doctor of supporting dangerous research that some scientists think might have led to the first coronavirus cases, conspiring with others to discredit that theory, attempting to evade federal transparency laws and ignoring evidence that didn't fit with his preferred public-health measures. Fauci's lawyer Wednesday called Paul's accusations false.

### Personal musings

Ahead of the hearing, Paul released more than 1,000 pages of Fauci's journals from the pandemic period. They revealed, among other things, Fauci's close tracking of his many media appearances and what he described as his "explosive" growing fame, leaving his supporters to awkwardly defend him.

"I think we all would've been better off, including him, if he hadn't written his personal musings on an HHS server," said Dr. Deborah Birx, who worked closely with Fauci while coordinating the White House's Covid response.

Fauci, in his diaries, recalled clashing with Paul in August 2020, accusing him of bluster while acting like an "experienced epidemiologist."

By June of the following year, complaints about Paul and "the crazies" were common in the doctor's journals:

Trump, on the last full day of his first term, awarded Fauci and other members of the Operation Warp Speed team presidential commendations. But he tapped Kennedy, one of Fauci's fiercest critics, as his health secretary this term, and has more recently slammed Fauci.

### Threats to his life

Fauci now teaches at Georgetown University and gives talks at various conferences. He still requires expensive private security because of the threats on his life.

People who know him said he is happy at Georgetown but is frustrated by the continuing attacks. They said he has often been willing to go toe-to-toe with Republicans, and that it took a toll on him to sit through the hearing without responding to senators' criticisms.

"The only conclusion I can reach is that the sole reason he is calling me before this committee is to get me to say something—anything—that could vindicate his repeated public pledges that I end up, in his words—quote—'behind bars,' " Fauci said of Paul in his opening remarks Wednesday.

Paul threatened "repercussions" for Fauci's silence and scheduled a time for his committee to vote on whether to hold Fauci in contempt of Congress and potentially refer him for prosecution to the Justice Department.

Democrats in the hearing focused more on criticizing Republicans and the Trump administration than they did on explicitly defending the details of Fauci's record. Two Democrats on the committee, Sens. Ruben Gallego (D., Ariz.) and Elissa Slotkin (D., Mich.), didn't speak at the hearing.

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EMILY ROSE BENNETT FOR WSJ · EMILY ROSE BENNETT FOR WSJ · SOPHIA BALDWIN FILMS · SAM CAIN · PETER WONG

From left, voters Christine McClellan, Joe Thomas, Natalie Bui, Sam Cain and Peter Wong. Wong says Democratic socialists are hurting the party's ability to appeal to more voters. Bui voted for a Democratic socialist in a House primary in Colorado in June.

# Democratic Voters Split Over Party's Identity

By Terell Wright

Insurgent Democratic socialist candidates are knocking off establishment-backed incumbents in primaries this year, powered by voters drawn to populist promises such as universal healthcare.

At the same time, many centrist Democrats, fearful of the party's leftward lunge, are fighting back and warning the Democratic socialists could doom the party in November and beyond.

This collision faces its next test in August, when Democratic socialists are on the ballot in Missouri, Wisconsin and Michigan, including state Rep. Donavan McKinney, who is bidding to unseat Rep. Shri Thanedar in Detroit.

Some Democrats see the insurgents as the jolt the party needs to become more competitive with Republicans in elections.

"People are fed up with this entire system," McKinney said while knocking on doors in Detroit.

Others worry the party is trading an emphasis on electability for riskier policies and candidates that alienate independent voters.

"They're socialists and I think they're very focused on using the Democratic Party as a vessel for their extreme ideas," said Rep. Josh Gottheimer (D., N.J.).

The Wall Street Journal talked to voters on both sides of the divide, in places where the battle is intense.

### Christine McClellan, 72 Detroit

McClellan said she is supporting McKinney because he wants to end American wars abroad. The retiree's nephew, who serves in the Navy, was supposed to come home in May but remains stationed abroad amid the Israel-Hamas conflict and the U.S. war with Iran.

As fighting has reignited, she can't stop thinking about what he is experiencing, as well as the civilian death toll in Gaza and Iran.

"My cousin was in the Vietnam War. I don't know what that war accomplished. I don't really know what this war is all about," said McClellan, standing on her porch on a warm day in the Farwell neighborhood. "We need peace."

### Sam Cain, 18 Demarest, N.J.

Cain, a moderate, said the rise of Democratic socialism has pushed him further away from the Democratic Party. As a Jewish American, he said Democrats also aren't doing enough to curb antisemitism. He has said he would become an independent if Democrats move toward Democratic socialist policies, such as public ownership of corporations, which he described as "anti-American."

He lauded Gottheimer, the Jewish and moderate Democratic lawmaker who represents the New Jersey district where Cain lives. Cain said Democratic socialists aren't true Democrats. "A lot of Jews, young and old, are feeling like the Democratic Party doesn't care about them anymore, while the Republican Party is making efforts to appeal to them," he said.

### Joe Thomas, 77 Detroit

Thomas said McKinney is his top pick because of the progressive's housing policies, such as increasing federal oversight of corporate landlords. Living in Detroit for most of his life, Thomas watched friends and neighbors lose their homes throughout the 2008-09 financial crisis, which ravaged Detroit's manufacturing-based economy.

A retired union plant worker at Chrysler, Thomas said he has voted for Democrats his whole life but doesn't think they are doing enough to address his community's needs and help lift up the homeless. McKinney might offer a new path forward, he said.

"The party needs some backbone to it," Thomas said. "My concern is about people living in the street. And I hope Democrats can wake up and see that issue."

### Peter Wong, 55 New York

Wong, a moderate Democrat living in Brooklyn, voted for Antonio Reynoso, a candidate who lost to Democratic socialist Claire Valdez in a House Democratic primary. Wong said that Democratic socialists are hurting the party's ability to appeal to more voters because they refuse to compromise on policies even when they might not be practical. He said Democratic socialists are too similar to supporters of President Trump, describing both groups as "intolerant and dogmatic."

Wong, an I.T. specialist, wants the Democratic Party to appeal to a spectrum of voters, including those who might not support every progressive policy or position.

"I would like to see conservative Democrats who might be antiabortion running in red districts," he said.

### Natalie Bui, 38 Denver

Bui, who works in end-of-life care, supported a Democratic socialist for the first time when she voted for Melat Kiros in a House primary in Colorado in June. A Colorado native, Bui values the state's independent streak but said Democrats haven't done enough to combat a Republican Party that she sees as pushing the nation further to the right.

She said she previously didn't think Democratic socialist policies were attainable in America, but said it was worth giving a shot to politicians promising a new direction.

"The right changed their game. The left needs to change their game, too. I wanted to see what that looks like," Bui said.

◆ The millennial fight for the future of the party..... C3

## U.S. WATCH

CALIFORNIA

### Newsom Expresses Worries About Suit

California Gov. Gavin Newsom has expressed concerns about the state's antitrust lawsuit that seeks to block Paramount Skydance's acquisition of Warner Bros. Discovery, and the ramifications of it for Hollywood, according to people close to the suit.

In recent weeks, Newsom has told people involved in the matter that if the deal is blocked as a result of the suit, state employment would suffer, the people said. Newsom's office has encouraged Attorney General Rob Bonta's office, which has independent authority to file such suits, to find a resolution out of court, the people said.

It is unclear what impact, if any, Newsom's urging will have on the California attorney general's suit. Newsom doesn't have a role in the litigation and doesn't have authority over the state attorney general's actions.

Representatives for Newsom and Bonta declined to comment.

In July, California led a coalition of 12 states in a lawsuit to block the $81 billion deal. The suit alleges that the merger would hurt consumers and movie theaters by reducing competition, leading to higher prices, lower quality and less content for film and television.

*—Jessica Toonkel —and Eliza Collins*

ARIZONA

### Authorities Release Guthrie Notes

Authorities released an early ransom note in the investigation into the disappearance of Nancy Guthrie in hopes that someone will recognize the writing style. A second note released Friday indicated Guthrie died shortly after she was kidnapped.

Both notes initially were sent to a Tucson television station days after the 84-year-old mother of "Today" show host Savannah Guthrie went missing from her home outside Tucson on Feb. 1. Authorities haven't said whether Nancy Guthrie is still alive.

No suspects have been arrested in Guthrie's disappearance. The Federal Bureau of Investigation in Washington didn't respond to questions about the notes.

In releasing the notes, the Pima County Sheriff's Department said "we believe these distinctive linguistic characteristics may be recognizable."

The first note, sent Feb. 2, said Guthrie would be released unharmed once her captors received $4 million in cryptocurrency, with the ransom increasing if the first demand wasn't met. It said Guthrie would be released within 12 hours if the payment was received, and included a threat to kill her if the ransom wasn't paid. The second note was sent Feb. 6 and said Guthrie died shortly after she was taken.

*—Associated Press*

REBECCA NOBLE/REUTERS

Flowers and signs seen at Nancy Guthrie's house in February.

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# WORLD NEWS

# Spain Rushes to Secure Territory's Border

## Most migrants return to Morocco one day after thousands poured into Ceuta

Less than a day after tens of thousands of immigrants streamed into a Spanish enclave in North Africa, most of the new arrivals turned around and went home Friday, leaving a Spanish government grappling with those who remained.

*By **David Luhnow**, **Margherita Stancati** and **Andrea Figueras***

MARCOS MORENO/CONTACTO/ZUMA PRESS

**A migrant is on his knees Friday after crossing the border between Spain's territory of Ceuta and Morocco. At least 57 people died.**

It was a bizarre twist to one of the most unexpected and sudden immigration crises in modern times.

Roughly 50,000 people entered the Ceuta enclave from surrounding Morocco on Thursday and early Friday, according to Spain's Interior Ministry. Local officials said 60,000 had entered. Chaotic scenes captured on videos went viral and sparked alarm in European capitals.

But by Friday evening, most of the immigrants had crossed back voluntarily to Morocco, the ministry said.

At least 57 people died during the rush into the territory, mostly by drowning as crowds of people tried to swim around breakwaters that divide Ceuta from Moroccan territory, Spanish officials said.

The seemingly voluntary departure of tens of thousands of the immigrants did little to quell the fear and anger in Ceuta, where 84,000 people live in an area about six times the size of New York's Central Park. That left several thousands of immigrants roaming the streets. Many residents stayed indoors, and many shops shut, fearing looting.

Rocio Gil, a Ceuta resident, wept as she told Spanish television that she was frightened to be in a city overrun with foreign young men. Visibly shaking, and surrounded by a crowd of young Moroccans, she said: "As a woman, you have to live this to understand what it's like. It's an invasion.... and there is no law."

Analysts said the incident looked like it was orchestrated by the Moroccan government, and was less about immigration than regional politics, including the rivalry between Morocco and Algeria and disputes over Western Sahara, a territory claimed by Morocco and an Algerian-backed group.

Moroccan officials didn't respond to requests for comment.

The crossing came 10 days after Spanish Prime Minister Pedro Sánchez visited Algeria, a visit aimed at improving relations between both countries after Spain in 2022 ended decades of neutrality and backed Morocco's plans for resolving the territory's status.

The visit to Algeria likely angered Morocco, said Moussa Bourekba, a research fellow at the Barcelona Centre for International Affairs.

"There is a longstanding rivalry between Morocco and Algeria for regional leadership in the Maghreb. If, as a country, you establish a favorable relationship with Morocco, you will almost automatically provoke Algeria's discontent, and vice versa," he said.

In 2021, there was a similar mass crossing of about 5,000 to 8,000 Moroccans into Ceuta. That came at a time of diplomatic tensions between Morocco and Spain—shortly after Spain had allowed an independence leader in Western Sahara, who is fighting against Moroccan control, to enter the country for Covid-19 treatment.

Morocco, which doesn't recognize the Spanish enclaves in North Africa, could also be simply demonstrating to Spain that it has the ability to disrupt and overwhelm the enclaves at a time of its choosing, said Gemma Pinyol, a former Spanish government official and lecturer at the UPF university in Barcelona.

Spain's own leader, Sánchez, offered a different theory earlier in the day—blaming human smuggling gangs for taking advantage of a recent ruling by Spain's Supreme Court that made it more difficult for authorities to turn back people who arrived into Ceuta or another Spanish enclave in North Africa by sea rather than land.

The scenes of thousands of mostly young men pouring across the border went viral across Europe and elsewhere, and raised fears the immigrants would use the enclave as a springboard to Europe.

France said it was reinforcing security at its border with Spain, and Italy's Prime Minister Giorgia Meloni said her country might consider suspending Europe's Schengen rules—which allow workers and goods to cross borders freely—to prevent Spain from being used as an entry point for illegal immigration.

# Russia Clamps Down on Video Posts

By Milàn Czerny And Matthew Luxmoore

**Video screenshot from TikTok in 2025 shows Russians in front of a burning oil depot.**

When a series of Ukrainian drone strikes targeted a major retail warehouse in southern Russia this past week, police released a video aimed at sending a message to anyone thinking of sharing clips of such attacks online.

The video showed a 19-year-old woman apologizing for filming the aftermath of a drone attack on a warehouse belonging to online retailer Wildberries in the city of Krasnodar.

"I admit my guilt and promise that this won't happen again," said the woman, whose face was blurred and who wasn't named by police. She faces a fine if found guilty of violating rules on filming drone attacks.

Ukraine has increasingly used drones in recent months to hit targets deep inside Russia and disrupt its economy. Strikes on oil refineries have led to fuel shortages and long lines at gas stations throughout the country.

Now authorities are trying to stop Russians from posting videos showing damage from the attacks, which are widely shared on messaging platforms such as Telegram.

Police across Russia have detained people for filming the attacks and publicly warned that doing so could be deemed tantamount to treason.

Russia has sought to block Telegram. On Wednesday, the country's Federal Security Service, or FSB, said it was charging Telegram's Russian-born founder, Pavel Durov, with facilitating terrorism, citing the platform's failure to remove channels that Ukraine uses to coordinate attacks.

Restrictions on filming strikes have been introduced in about two-thirds of Russia's regions in recent months, according to a tally by Department One, a Russian human-rights group.

In May, when Ukraine stepped up its strikes on Moscow, the Russian capital banned the publication of photos and videos showing the aftermath of what authorities called terrorist attacks.

Russian authorities say sharing videos of the attacks online allows Ukraine to assess the damage and pinpoint the likely location of Russian air-defense systems.

Critics say the ban is a face-saving move by the Kremlin that is intended to maintain the illusion that the war is having a minimal effect on the lives of ordinary Russians.

President Vladimir Putin's problems have been mounting in recent months, with Russian gains on the battlefield having slowed and its army taking heavy casualties. Ukraine has, meanwhile, found that its stepped-up drone production and deep strikes are allowing it to inflict a greater toll on Russia than at any previous time during the war.

"To a mass audience, visuals matter much more than words," said Abbas Gallyamov, a former Putin speechwriter. "If there are no images of burning targets, it will be much easier to maintain the illusion that everything is going according to plan. And that is Putin's main message."

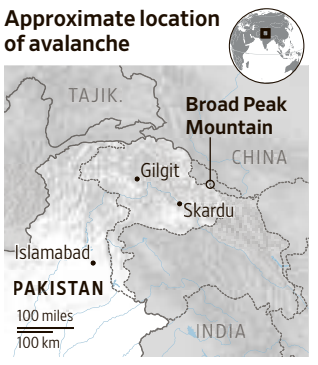
# Famed Climber Missing In Pakistan Avalanche

By Krishna Pokharel And Waqar Gillani

British climber Nirmal Purja, whose record-setting climb of the world's 14 highest peaks was the subject of a Netflix documentary, is missing along with the rest of his expedition after an avalanche hit the mountain they were climbing in Pakistan.

Rescuers have recovered four bodies, said Naik Nam Karim, a local tourism minister. U.S. climber Mallory Geis, an Omani national and one of the Nepal nationals accompanying Purja have been confirmed dead. Ten people were on the expedition.

Purja's business partner, Mingma David Sherpa, said that a Garmin satellite device that was with the team was still showing signs of movement Friday, sparking hope that at least some members of the team could still be alive.




The mountaineers were climbing Broad Peak, the 12th-highest mountain in the world at 26,400 feet, part of the Karakoram mountain range. There was no communication with them since the avalanche hit midday Thursday, said the Alpine Club of Pakistan, which is coordinating the rescue.

Geis, a travel photographer from Texas, was making her first attempt to climb the mountain, along with her Pakistani team member, according to a social-media post from Moving Mountains, an expedition company in Pakistan.

Information from the climbers' trackers showed they stopped their ascent around 9:30 a.m. Pakistan time Thursday and fell several hundred meters, according to information shared by the minister.

Purja, a 43-year-old born in Nepal, became a mountaineering celebrity in 2019 when he summited all of the world's 14 peaks higher than about 26,250 feet, in six months and six days. His achievement was the subject of the Netflix documentary "14 Peaks."

He later climbed the peaks again, this time without supplementary oxygen.

In recent years Purja's climbing prowess was shadowed by allegations of sexual misconduct from female climbers. He has denied wrongdoing.

NAVESH CHITRAKAR/REUTERS

**British climber Nirmal Purja**

# EU Inflation Rebounds on High Energy Prices

By Ed Frankl

Inflation in the eurozone rose further above the European Central Bank's target in July, as energy costs accelerated again and services prices firmed, with the future path of price rises heavily dependent on the Middle East war.

Annual consumer-price inflation in the 21-nation eurozone was 2.9% in July, up from 2.8% in June, the European Union's statistics agency said Friday. That was a little above expectations of a consensus of economists polled by The Wall Street Journal that saw the rate holding at 2.8%.

Energy inflation, which cooled in June after tensions in the Persian Gulf eased, rebounded to 10% in July from 8.5% the previous month. The resumption of hostilities between the U.S. and Iran led oil prices higher during much of July, though they lost some gains this past week. The increase in energy inflation also likely is because of the elapsing of a fuel tax-reduction program in Germany in early July.

There also were tentative signs that the rise in oil-and-gas costs since the war started in late February could be driving up prices elsewhere in the economy. Services inflation picked up to 3.3%, from 3.2%, while core inflation—which strips out energy and food costs—edged higher to 2.5% from 2.4%.

"This is likely to mark the beginning of a rise in the core inflation rate...The longer the conflict in the Middle East persists and disrupts the transport of oil and oil products, the more companies will pass on their higher energy costs," said Vincent Stamer, senior economist at Commerzbank, in a note to clients.

All that took the inflation rate further ahead of the ECB's 2% target, above which it has been since March. The ECB left its key interest rate in July, with most investors expecting it to rise again at its next meeting in September.

At the bank's July meeting, its President Christine Lagarde said the outlook for energy prices, while volatile, is in line with the ECB's baseline projections, even if that is well above levels before the start of the war.

Meanwhile, food, alcohol and tobacco inflation declined to 1.2%, its lowest level since June 2021.

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# U.S. Family Escapes Raging Fire in France

## Rebecca Papin and her children spent four days stuck in their holiday home

By the time Rebecca Papin found out about the evacuation of the French town where she was staying on vacation, it was too late.

*By **Margherita Stancati**, **Noemie Bisserbe** and **Andrea Figueras***

FROM TOP: YVES HERMAN/REUTERS; REBECCA PAPIN (2)

**Fires swept through the town of Biscarrosse, where Rebecca Papin and her family were vacationing in southwest France.**

Papin was at the beach with her two young children when police were going door-to-door, on the evening of July 23, telling people to evacuate the coastal town of Biscarrosse.

It wasn't until the next morning, when the American mother woke up to a town filled with smoke, that she realized she had missed an evacuation order.

"I thought there were still people around me. I was not aware we were alone," Papin recalled.

Papin and her family were caught in some of the worst fires to sweep Western Europe in decades. The blazes in Spain and France ripped through forests and scrubland, destroying homes and campsites, forcing the evacuation of more than 300,000 residents and vacationers.

The wildfires came as vacationers filled the towns on France's Atlantic Coast for the summer holidays.

Spanish and French firefighters were still battling the blazes on Friday, even as they made some progress containing them. The flames were no longer spreading uncontrollably, and thousands of people were able to return to their homes.

Papin, who is from Franklin, Tenn., arrived at her family's holiday home in Biscarrosse in June. France was in the grip of a heat wave. Papin, her 9-year-old daughter and 11-year-old son settled into a routine of horse-riding lessons in the morning and surfing in the afternoon.

They were at the beach with friends when, at around 4 p.m. on July 23, Papin saw a plume of smoke rising from the thick forested area around Biscarrosse. She didn't know what was burning—perhaps a tree or a truck, she thought—but she assumed it would be put out quickly.

When she arrived home later that evening, she realized the magnitude of the danger.

"When I looked out of my daughter's bedroom, it looked like an inferno, an apocalypse," she recalled. "I could see a wall of fire in the distance, a wall of solid orange, covered by gray clouds. There were water planes and helicopters flying above the flames."

Papin decided to go back to the beach because she thought it was safer. There were other vacationers there, and no one seemed too worried. Papin concluded the situation wasn't as bad as she feared and set off for home.

The traffic going in the opposite direction was ominously heavy. Still, Papin figured French authorities would warn her if there was real danger.

When she woke up on Friday morning, ash was falling like snow and pieces of burning wood were dropping from the sky. A police officer buzzed the gate of her home. She told Papin it was too late to evacuate—the roads out of Biscarrosse had been barricaded—and that the safest thing to do was to stay in the residence.

Papin and the children were now stuck in Biscarrosse, just as one of the worst fires in recent French history raged near them.

During the four days they were stuck at home, they left only once. On Sunday, they went to buy frozen baguettes, orange juice and pasta from the one supermarket that had reopened. The only other customers were troops involved in the emergency response.

From her home's upstairs window, the flames appeared less threatening than they had initially, but the air quality was still terrible. Papin developed a bad cough.

By Tuesday, some secondary roads had reopened. Papin mapped a route to the airport in Bordeaux. At 5 a.m. the following morning, Papin and her children got in the car and headed out of Biscarrosse.

For the next two hours, Papin drove down country roads through a post-apocalyptic landscape. The smoke was thick like fog. There were security checkpoints and barricaded roads. She feared they would encounter a roadblock at any point, and have to turn back.

They drove through villages empty of cars or people.

"They were like ghost towns," she recalled. In the distance, she could see the billowing black smoke of a raging fire in nearby Gironde.

When she finally arrived at the airport and checked in for her flight, she burst into tears.

"That is when I realized I was safe. I was maybe not fully aware of the danger up to that moment," said Papin.

As the flight took off, the captain said that if passengers looked out of their windows they could see the raging fires. Papin chose not to look.

Despite the ordeal, she is looking forward to returning to France at Christmas.

"I love Biscarrosse. My children and I will continue to come," she said.

## WORLD WATCH

FABIO SASSO/AGF/ZUMA PRESS

**THEY ARE NAPOLETANO:** Fans celebrated the Napoli soccer club's centenary Friday, marching from Piazza dei Martiri, the club's historical headquarters, to Rotonda Diaz on the Naples seafront.

SOUTH AFRICA

### Oprah to Close Her Girls' School

Oprah Winfrey will close the school for underprivileged girls she set up in South Africa two decades ago at the end of next year.

Winfrey opened the Oprah Winfrey Leadership Academy for Girls in 2007.

Winfrey's charitable foundation ran and funded the school, but it was always part of the agreement that the academy campus near Johannesburg be handed over to the provincial education department, the academy said.

The academy said Winfrey's commitment to educating South African girls would continue through an expanded scholarship program.

More than 500 girls have graduated from the academy and some have attended the world's top universities, according to the Oprah Winfrey Charitable Foundation.

The academy drew international attention shortly after opening in 2007 when several students accused a dormitory matron of physically and sexually abusing them. Winfrey met meet with students and parents, publicly apologized, and commissioned an independent investigation.

The matron was acquitted of criminal charges in 2010.

*—Associated Press*

SRI LANKA

### Prison Term Is Set For Ex-Police Chief

A Sri Lankan court Friday sentenced former Police Chief Pujith Jayasundara after finding him guilty of criminal negligence that allowed Islamic State-inspired bomb attacks on Easter in 2019, killing more than 260 people.

While he was sentenced to a death penalty, in Sri Lanka that typically means life in prison because the country has had an informal moratorium on executions since 1976. Current President Anura Kumara Dissanayake supports maintaining the moratorium.

The near-simultaneous bombings in 2019 were carried out at three tourist hotels and three churches and killed 42 foreigners. A parliamentary committee found that police anare d intelligence officials failed to act on repeated intelligence warnings of the attacks. Jayasundara has the right to appeal the verdict by the three-member High Court bench.

Two Sri Lanka-based Islamic militant groups were accused of carrying out the bombings, and none of those believed to have been directly involved are living. Separate trials are taking place for people allegedly connected with the perpetrators.

*—Associated Press*

MALI

### Russia Is Linked To Deadly Airstrike

Human Rights Watch said Friday that Russian government-controlled Africa Corps aircraft killed eight civilians, including three children, in an airstrike on a village in central Mali last month.

The rights group said an attack aircraft identified as a Russian Sukhoi Su-24 dropped two munitions on Kyrnia village in the Mopti region on June 15. One strike hit near the home of the village chief, killing his wife and three children. The second hit a nearby cattle market, killing four men. No fighters from the Islamic militant group JNIM, which has controlled the village for six years, were reported among the casualties.

Russian mercenaries have been present in Mali since 2021 to help its military junta fight militants and separatists. Last year, Africa Corps, which reports to Russia's Defense Ministry, replaced the private mercenary Wagner Group in the country.

The rights group called on Mali's government to investigate the strike and hold those responsible accountable, saying it could otherwise be complicit in war crimes. Russia's Defense Ministry didn't respond to a request for comment.

*—Associated Press*

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# Investors Cheer Rise In Prices

*Continued from Page One*

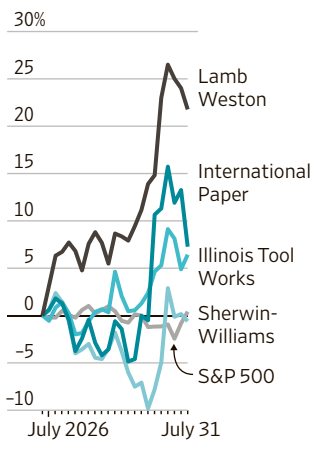
dexes to new highs this year.

Yet higher prices on everyday items threaten to ignite a new round of inflation that could muddy the path of interest rates and become a big factor in this autumn's midterm elections.

"Investors in these particular companies celebrate every price increase announcement, but of course collectively all of these price increase announcements are very bad for the economy, and they are problematic for interest rates," said Adam Josephson of Sakonnet Research.

The cost of living was already a hot political issue in late February when the U.S. began bombing Iran, which retaliated by restricting passage through the Strait of Hormuz. Roughly 20% of the world's oil supply moved through the strait before the war, as well as much of its aluminum, fertilizer and other materials.

**Share-price and index performance**




Source: FactSet

Prices at the pump immediately surged, straining household budgets and boosting costs for businesses. Traders went from expecting the Federal Reserve to reduce borrowing costs to positioning bets in the futures market in anticipation of rate increases, according to CME Group data.

Fed officials on Wednesday voted 9-3 to leave rates unchanged. The central bank's rate-setting panel is scheduled to next meet in September.

"What we're trying to understand is to what extent are these shocks broadening in their effects, broadening in their impact on prices that are quite far removed from it," Fed Chairman Kevin Warsh said.

Benchmark U.S. crude futures traded around $85 a barrel on Friday, up about 25% since the war began. Prices for gasoline, diesel and many petrochemicals have risen even more sharply and aren't expected to ease until normal tanker traffic through the strait resumes. The national average for a gallon of regular unleaded gasoline was about $4.11 on Friday, up from $2.98 at the start of the conflict.

Household-products maker Unilever attributed less than 15% of its first-half sales growth to higher prices, as opposed to greater volume. But executives told investors that will likely flip during the remainder of the year due to higher commodity prices.

"We expect pricing to lead growth during the second half of the year," Chief Financial Officer Srinivas Phatak told investors.

Sherwin-Williams shares jumped more than 8% Tuesday, their biggest one-day gain in more than four years, after the paintmaker said it would raise prices 8% effective Sept. 1 to offset rising materials costs, including oil-linked inputs. It forecast that prices for its raw materials would rise further in the second half of the year by a percentage in the high-single digits.

"We were able to delay this increase for customers and avoid disrupting their business during the height of the paint-selling season," said Chief Executive Heidi Petz.

Illinois Tool Works shares shot up more than 10% Tuesday after CFO Michael Larsen assured investors that it raised prices during the spring quarter to more than make up for costlier inputs, like the resins consumed by units that make automotive components and plastic six-pack rings.

Idaho french-fry producer Lamb Weston Holdings said it raised prices in North America to counteract rising costs for everything but potatoes. Higher crude prices have lifted the company's transportation costs and spilled into the market for edible oils, which motor-fuel makers are guzzling up given national average diesel prices that have surged above $5 a gallon.

"Demand for biodiesel has driven up the cost of most edible oils," finance chief James D. Gray told investors.

Packaging expenses have become especially problematic. Plastic bottles and bags are made from oil and natural gas derivatives. Meanwhile, aluminum supplies have been reduced because a big chunk of global supply is stuck behind the strait.

Boston Beer executives said more expensive commodities, including aluminum, which is also subject to President Trump's tariffs, partially offset price boosts last quarter.

Few companies will be immune to rising prices for corrugated boxes: All three of the largest U.S. box makers announced price increases in quick succession in July.

International Paper, Smurfit Westrock and Packaging Corp. of America have cited rising costs, including recycled boxes and freight, as well as tight supplies due to a run of containerboard mill closures.

# Trump Orders New Attacks on Iran

WASHINGTON—President Trump has ordered a fresh attack on Iran aimed at getting Tehran to surrender that could begin as soon as this weekend, U.S. officials said.

*By **Alexander Ward**, **Michael R. Gordon** and **Philip Wegmann***

Earlier Friday, Trump said he planned to resume heavy military strikes to force the regime to come to the negotiating table. He predicted that if the U.S. hit Iran hard enough, the hard-line regime would "peter out."

"We will be hitting them very hard," Trump said during a televised cabinet meeting at the Camp David presidential retreat. "And you know at some point, they're going to say, 'We just can't take it anymore.' "

Trump authorized the new attack plan presented to him at the meeting, U.S. officials said. But, they noted, any immediate progress on the diplomatic front could convince him to halt the strikes. He also could change his mind.

His threats contrasted his insistence this past week that "very friendly negotiations" were under way, enabling a ceasefire. Since then, Iran launched a surprise attack on troops in Jordan, triggering a U.S. attack Wednesday.

For weeks behind closed doors, Trump has been telling aides the Iranians are "crazy," U.S. officials said. He has complained to confidants that he always knew the interim deal wasn't going to work. His frustration was on full display at Camp David when the president accused Iranian diplomats of being "very dishonorable."

"Well, they always want to talk, but they break their words so often," Trump said. "All they do is make me angry."

The frustration is mutual. Iranian diplomats have expressed exhaustion at the numerous times negotiations broke down. From their perspective, officials say, there is a lack of trust between the two countries and the prospects for diplomacy deteriorate every time Trump threatens military force.

Iran's Islamic Revolutionary Guard Corps on Thursday vowed to renew its attacks after the U.S. retaliatory strikes.

As the Iran war enters its sixth month, Trump continues to insist that Iran must relinquish its nuclear program and abandon its control of the Strait of Hormuz, while Iran has dug in on both counts.

Among Trump's options is a proposed two-week campaign of intensive airstrikes intended to blunt Iran's missile capabilities. Dwindling munitions, however, have been cited by Trump's military advisers as a potential risk.

# Hamas and Israel Balk At Plan

*Continued from Page One*

Hamas's complete surrender, and to risk being seen as beholden to Washington.

Netanyahu hasn't commented publicly on the plan. Israeli national security minister Itamar Ben-Gvir said Friday that the draft agreement is "not acceptable to Israel."

An Israeli official reiterated that Israel demands genuine demilitarization of Palestinian forces in Gaza before it would pull its troops back.

Trump said the U.S. "has an understanding with Israel," and that "Israel is very happy about [the deal]."

Hamas also pushed back against Trump's narrative. The group said Israel must stop all attacks on the territory before it would take further steps. It said it agreed only to relinquish its heavy weapons—stopping short of a pledge to hand over light arms, such as assault rifles, which security analysts say are crucial to its control over the population.

"We didn't say disarmament, we didn't say handing over the weapons, and we didn't agree on any Israeli involvement," Ghazi Hamad, a member of Hamas's negotiating team, told The Wall Street Journal.

The central question for both is sequencing. From the start, Trump's peace plan for Gaza, which paused two years of fighting with a ceasefire in October, was hamstrung by a central dilemma: Hamas insists Israel withdraw before it turns over its weapons, while Israel refuses to relinquish territory until the group is completely dismantled.

JEHAD ALSHRAFI/AP

**Palestinians sort through the rubble of a building destroyed in an Israeli attack on Gaza City.**

The U.S. has pressed ahead, trying to convince both sides that progress can be piecemeal.

Trump's original 20-point peace plan was designed to end the war in phases, with progress in one area unlocking new steps in another. The first phase saw the release of all remaining hostages taken during the Hamas-led attack on Israel on Oct. 7, 2023, which triggered the war. It also called for the establishment of a National Committee for the Administration of Gaza, a group of Palestinian technocrats to eventually rule the enclave, and a peacekeeping mission called the International Stabilization Force.

A Board of Peace, chaired by Trump, was also created to oversee the process.

The truce effectively paused the fighting and split the territory in two, with Hamas controlling a strip of land along the coast and Israel controlling a buffer zone several miles wide around the enclave.

Since the ceasefire, Israel has increased its area of control, now commanding nearly 70% of the territory and squeezing the population into an ever-shrinking space. Fighting largely has subsided but Israel has kept up targeted killings of Hamas leaders and attacks against the group's operatives and infrastructure. Local health authorities say more than 1,000 people have been killed by Israeli attacks since the truce, without saying how many were combatants.

Gazans have had mixed reactions to Thursday's declaration by Trump. After three years of conflict, about 80% of Gaza's roughly 2.1 million people have been displaced, with roughly half of them living in squalid encampments where they rely on humanitarian aid.

"Most of us in Gaza don't believe it—there has been no real sense of joy or celebration," said Dina Hamada, a mother of four who lives in Gaza City. "Maybe that's because we've lived through too many promises. Every time we allowed ourselves to hope, reality ended up crushing us."

The U.S., Israel and Hamas are eager for some sort of a win, though their interests diverge.

Netanyahu is under pressure from members of his right-wing coalition to keep up or even intensify military pressure on Hamas.

Hamas has been battered by Israel's yearslong assault, and the war has eroded its popular support. In July, the group's governing body said it was ready to hand power over the National Committee for the Administration of Gaza, which some political analysts took as a sign that its grip on civil affairs may have been slipping.

Trump, meanwhile, is under growing pressure over the U.S.-Israeli war with Iran.

"Trump is really eager to demonstrate an accomplishment," said Michael Milshtein, a former senior Israeli intelligence officer. "Things are very complicated in Iran and Lebanon, and I think he really wants to show he's achieved something in Gaza."

# Oil Giants See Huge Windfall

*Continued from Page One*

four years.

"While we didn't anticipate the current situation, we were prepared for it. In our markets, disruption is inevitable," Exxon CEO Darren Woods said in a conference call Friday with analysts. "Despite the temporary loss of approximately 10% of our upstream production, we delivered exceptional financial results."

In March, Iranian missile strikes damaged some Qatari natural-gas facilities in which Exxon has a stake.

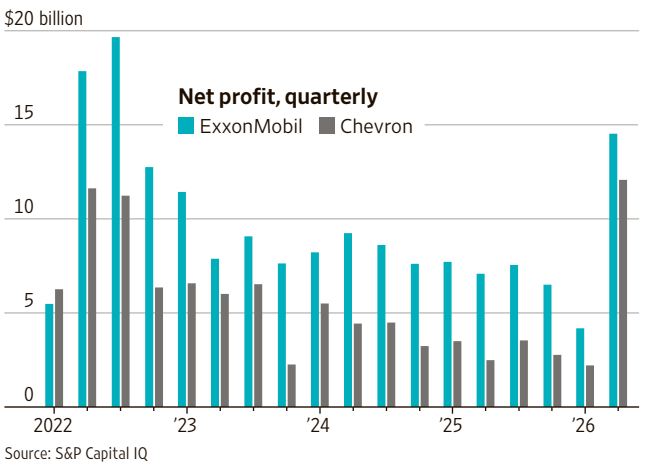
Exxon's adjusted earnings came in at $3.52 a share, slightly below Wall Street's forecast of $3.56, according to FactSet. Chevron's was $6.06, topping analysts' estimates of $5.55.

Margins for making products like jet fuel, diesel and gasoline climbed to record highs.

Oil prices eased toward the end of the quarter on hopes for a lasting peace deal between the U.S. and Iran that would fully reopen the Strait.

But prices for products kept climbing—allowing refineries to profit from the difference between the cost of crude and the revenue generated from refined petroleum products.

Exxon Chief Financial Officer Chief Neil Hansen said the oil market's biggest pinch point isn't necessarily stunted oil flows through the strait—it's the lack of refining capacity around the world.




Source: S&P Capital IQ

Crude prices have stayed within historical ranges throughout the crisis because of China's swift drop in oil purchases and demand destruction in some countries, he said.

But the supply crunch has shifted to products because of a decline in refining in places like Russia and China, which both banned some product exports during the quarter.

"The level of refining capacity that is available is the lowest we've seen," Hansen said, largely due to fuel-market developments beyond the Strait.

Exxon said it made the largest amount of diesel in a quarter since at least 2014, and its refining unit collected about $5.5 billion in earnings, up from about $1.4 billion in the same period last year. Exxon also cited years of structural cost savings, which have reached $16.3 billion since the company began overhauling operations a few years ago.

Exxon reported its highest oil-and-gas production in two decades, when excluding its disrupted output in the Middle East, which it has said accounts for roughly 20% of its global production.

In the Permian Basin, the largest U.S. oil field, its output climbed to a record 1.8 million barrels a day.

The U.S. oil giant's oil production unit collected $7.9 billion in earnings for the quarter, up from $5.4 billion in the same period last year.

Chevron's U.S. oil-and-gas production climbed to a quarterly record of 2.1 million barrels a day, up 382,000 barrels a day from the same period last year.

That growth was driven by assets it bought from Hess last year, following a protracted arbitration fight with Exxon, as well as the Permian.

Hess's crown jewel asset was its 30% stake in an Exxon-led consortium in Guyana, a generational oil discovery. Exxon said a fifth oil-production vessel—capable of pumping 250,000 barrels a day—has set sail for Guyana from shipyards in Asia and is expected to begin production in the fourth quarter.

Chevron CFO Eimear Bonner said the company isn't changing its spending plans because of market volatility and that it's growing production 7% to 10% this year.

In Venezuela, where Chevron is the only active U.S. oil producer, the company has boosted oil production 15% over the past six months to about 280,000 barrels a day.

"We're in active discussion for additional opportunities, and we're very encouraged with how those discussions are ongoing," she said.

Exxon and Chevron both showered investors in cash and emphasized their capital discipline.

Exxon paid out $9.4 billion in dividends and share repurchases combined, while Chevron spent $6.6 billion.

Exxon has also spent $13 billion in capital expenditures in the first half of the year, with a spending plan for the year that is 20% higher than its nearest competitor.

Exxon's Hansen said the company used part of the quarterly cash influx to cut down its net debt by $7 billion in the quarter, and its stronger balance sheet will allow it to "pursue advantaged opportunities."

In late 2023, after profits surged the prior year, Exxon snapped up Pioneer Natural Resources, a big West Texas oil producer, for $60 billion in stock.

Exxon isn't in a rush to dive into the mergers-and-acquisitions market again, Hansen said, but "we're always looking."

"We're in the catbird seat," he said. "We can be very picky, very patient."

"ALL OF THE THINGS I JUST FOUND TOO HARD TO SAY"
LAUREN JAUREGUI // TRACK 03
WHEN YOUR KID CAN'T FIND THE LANGUAGE, FIND THE LYRICS.
USE THEM TO START A CONVERSATION WITH YOUR KIDS ABOUT EMOTIONAL WELLBEING. LISTEN TO THE ALBUM, FIND TOOLS AND GET TIPS FROM PROFESSIONALS AT
SOUNDITOUTTOGETHER.ORG
SOUND IT OUT
ad COUNCIL
pivotal

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# U.S. and Allies Team Up To Show China Naval Might

Despite Trump's partnership slams, the military is closely working with friends

By Timothy W. Martin

HONOLULU—Dozens of warships sat docked next to one another at Pearl Harbor. The hulking vessels loomed so large that they were visible from planes flying overhead.

The largest of them all was the USS Theodore Roosevelt, the American aircraft carrier used in filming for 2022's "Top Gun: Maverick." Nearby were a Japanese Aegis destroyer, a South Korean tank-landing ship and a Canadian patrol submarine. A string of miniature national flags flapped in the wind. Fresh-faced sailors crewed the decks.

The occasion was the Rim of the Pacific exercise, a biennial event that is the world's largest international maritime drill. U.S. allies turned out in record numbers, with 30 nations and roughly 30,000 personnel participating in the five-week exercise that ended Friday. The massive drills allowed the participants to test new weapons, logistics systems and command-and-control techniques.

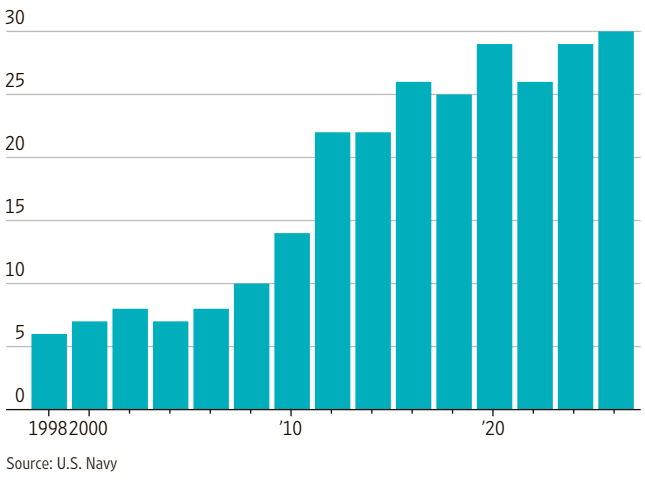
The growing size and scope of exercises illustrated the fact that, even as President Trump lambastes allies and threatens to withdraw U.S. support, military cooperation with many U.S. partners, particularly in the Pacific, has been steadily deepening in response to increased aggression by China and an expansion of North Korea's nuclear program.

Asia lacks a single alliance such as the North Atlantic Treaty Organization to bind U.S. partners together. As a result, multilateral exercises such as Rimpac are a chance for the U.S. and its allies to practice working together—and to show that they are doing more to bolster their own defenses.

DANIEL VERGARA FOR WSJ

South Korean forces taking part in the Rimpac exercise.

**Number of nations participating in Rimpac**




Source: U.S. Navy

Rear Adm. Takuo Kobayashi, of Japan's maritime self-defense force, is one of several U.S. allies taking senior leadership roles commanding Rimpac's thousands of multinational exercises. Just three of Rimpac's most senior roles this time are American. "If you have 30, 50 or 100 friends," he said, "it'll be better than just one or two formal alliances."

Jeff T. Jablon, deputy commander of the U.S. Pacific Fleet, serves as the top official overseeing Rimpac. He declined to say how China or North Korea might perceive the mass exercise featuring more than 500 maritime events and 2,400 air missions.

"I'm sure there's some deterrent effect when they see 30 like-minded nations working together," he said.

Rimpac is one of the largest of the more than 100 annual joint exercises the Pacific Command, which oversees joint U.S. forces in the Asia-Pacific, conducts with allies. It isn't the only multilateral event growing in size and scope.

The biennial Talisman Sabre exercise last year in Australia featured the first live-fire exercise of the mobile, ground-launched Typhon missile system outside the continental U.S. The number of full-participant nations at Talisman Sabre roughly have tripled in recent years. Earlier this year, Cobra Gold in Thailand featured, for the first time, the participation of the U.S. Space Force, which specializes in satellite defense and electronic warfare.

And this year's Balikatan exercise in the Philippines doubled in size from four years ago, featuring seven countries and more than 17,000 personnel. Those personnel fanned across the archipelago nation, carrying out a wider range of activities than in the past.

To be sure, concerns about the reliability of the U.S. loomed over the exercises. Trump has questioned the U.S. commitment to alliances such as NATO. And with active conflicts in Europe and the Middle East, the U.S. has shifted some personnel and military hardware out of Asia, sparking fears that the U.S. is overstretched, said Jessica Taylor, a former Department of Defense official who focuses on Asia-Pacific security issues.

"Why do we risk antagonizing China if we don't know if Trump and the U.S. will be there tomorrow?" said Taylor, who is now a nonresident fellow at the Atlantic Council's Indo-Pacific Security Initiative.

Meanwhile, the Trump administration has demanded that allies boost military spending, pony up more for U.S. troops present on their soil, and invest in the supply of critical materials and items. Some allies are ready to meet those demands. "I agree with what Washington is saying that allies need to do more," said Capt. Ryan L. Bakabak, of the Philippines Navy.

# Treasury Warns It Might Intervene In Dollar-Yen Rate

By Matt Grossman And Ben Glickman

The U.S. Treasury Department told banks that it might make currency trades to support the Japanese yen and strengthen its exchange rate against the dollar, said a person familiar with the matter.

The message was delivered by the Treasury to major banks on Friday via the New York Fed, which acts as the Treasury's agent for trades in financial markets. Some banks were told to have executable trades ready to exchange Japanese yen for euros, said people familiar with the matter. The U.S. holds some of its foreign-currency reserves in euros.

**'The Japanese yen seems very undervalued to me,' Bessent said.**

The alert comes amid what investors speculated could be a coordinated international effort to strengthen the Japanese yen against the dollar, in which Japanese authorities have also taken part.

Reuters reported the alert to banks from the Treasury.

In recent trading, the yen was stronger than 160 to the dollar, strengthening from Thursday morning when it traded near 164 to the dollar. Currency traders broadly believe that the yen's strengthening reflected yen purchases by Japanese authorities, as well as speculation of a possible U.S. intervention.

Japanese Finance Minister Satsuki Katayama on Friday declined to comment on Japan's market moves. She highlighted international awareness of the yen's slide, and said it was meaningful that Treasury Secretary Scott Bessent has warned of the yen's undervaluation.

Given the sheer scale of the suspected Japanese intervention—estimated to amount to as much as $70 billion—and the relatively limited yen strengthening that has resulted, American and Japanese authorities are running the risk that a coordinated intervention wouldn't succeed, said James Malcolm, a London-based analyst at JB Drax Honoré.

"Credibility is the most important thing for any government authority, and this risks wasting that credibility," Malcolm said. Many currency traders are upsizing their bets that the yen will continue to weaken despite the suspected efforts by authorities, he said.

Under Bessent, the Treasury has at times taken a more active role in shaping key exchange rates. In January, the Treasury instructed the New York Fed to reach out to banks for quotes on dollar-yen trades, a step known as a rate check often used to signal that a currency intervention might follow.

In October, the Treasury also stepped in to strengthen the Argentine peso in a bid to support the economic reforms of President Javier Milei, an ally of President Trump's.

Even after Friday's strengthening, the yen is down more than 5% against the dollar during the past 12 months. On Fox Business Thursday, Bessent said the U.S. wants to see a more stable yen, a currency that has weakened against the dollar in recent years to near multidecade lows. "The Japanese yen seems very undervalued to me," he said. "The currency is very cheap. The economy is doing well."

# Beijing Satellites Are Closing A Big Technological Gap

By Chun Han Wong And Ashley Cai

China aims to match the U.S. as the world's leading space power and is catching up fast, especially when it comes to satellites—giving Beijing the potential to impair rival networks and blunt U.S. military might.

Among other advances, Beijing has made strides in upgrading its GPS-rivaling navigation system and its "remote-sensing" abilities—the use of satellite technology to capture data from the Earth's surface—according to analysts.

These systems give China the ability to gather intelligence and conduct military operations with greater precision—undermining Washington's ability to project power. The Pentagon has voiced concern about China's growing abilities, while the State Department has accused Chinese companies of providing satellite imagery that Iran could use to target U.S. forces in the Middle East.

"Beijing sees space as an arena for geopolitical competition, where the United States is the main competitor," said Clayton Swope, a senior fellow at the Center for Strategic and International Studies, a Washington think tank. "China now can do a lot of what the U.S. can do from space."

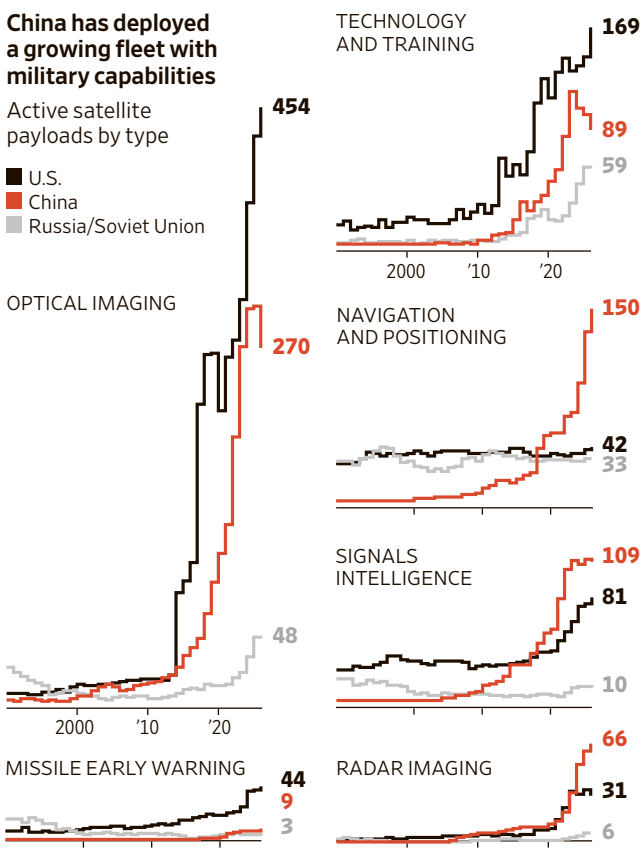
China has accelerated its deployment of civilian and military hardware into orbit, with technological advancements and growing constellations of satellites that help Beijing track events on Earth in real time and in greater detail than ever before.

China's gains have spurred calls by officials in Washington to head off what they see as Beijing's quest to displace the U.S. as the pre-eminent space power.

China has "a growing array of space-based capabilities that has strengthened its ability to coordinate its own operations as well as to conduct the persistent surveillance and targeting of U.S. forces," the U.S.-China Economic and Security Review Commission said in its latest annual report to Congress.

**China has deployed a growing fleet with military capabilities**

Active satellite payloads by type




Note: Dual-use satellites are included in both categories. Data is through July 23.
Source: General Catalog of Artificial Space Objects

China's gains in remote sensing are driven by what Western analysts say is world-leading research in sensors and satellite positioning technologies.

Chinese systems were ranked as top performers in five out of 11 technological categories in a 2024 CSIS-led report on commercial remote-sensing satellites. American systems topped four categories.

Beijing's advancements will likely enable its military to monitor and attack U.S. forces more successfully, with greater range and precision, OTH Intelligence Group, a U.S. consulting firm, said in a 2024 report to a congressional commission.

China's military, which launched its own space force in 2024, has access to more than 510 satellites with intelligence, surveillance and reconnaissance technologies that boost Beijing's ability to track the movement of U.S. forces, including its aircraft carriers and other assets, according to the U.S. Space Force.

The advancing capabilities and growing numbers of China's intelligence, surveillance and reconnaissance satellites "have increased its ability to monitor U.S. and allied military assets and activities throughout the Pacific and provide targeting support to long-range kill chains," or the process of identifying, attacking and destroying targets, the Pentagon said in December.

Experts say these new satellites offer higher resolution imagery that China can use to track U.S. forces more effectively in Asia. Such imagery can be analyzed using artificial intelligence to extract timely military intelligence.

PRIMA BALLERINA
EDGAR DEGAS

*Legendary artist. Signature subject. Rare beauty.*

Edgar Degas' ballerinas are his most coveted treasures, and *Danseuse en rose* is one of his most extraordinary examples. This rare pastel on canvas was created at the height of Degas' creative achievement; its grand scale and exceptionally vibrant color showcase his mastery of the medium. Circa 1877–80. Stamp signed (lower left). 35 3/4" x 28 1/4" (Frame: 44 3/4" x 37 1/2"). #32-2603

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FROM PAGE ONE

# The Spread Of 'Naked Dressing'

*Continued from Page One*

a woman in a bralette and sheer black skirt.

"I'm not someone who rattles easily," said the 47-year-old founder of a cybersecurity company. "But I remember thinking, 'I have no idea where to look right now.'"

The woman turned out to be the keynote speaker. She killed the speech. But Espinosa said attendees spent more time whispering about her outfit than talking about her presentation.

Naked dressers have more options than ever. Zara has a page on its website devoted to lingerie dresses. L'Agence is selling sheer lace dresses through which bra and panties are visible. Michael Kors is pairing triangle bralettes with trousers. Aerie has an entire collection called "Show Off," including a bra embedded in a sheer lace camisole.

"We're not pairing the bra tops with underwear—but with pants," said Haley Palese, who runs merchandising for Aerie and its sister chain Offline.

One of Victoria's Secret's hottest product launches this spring was a strapless bra that could be worn sans shirt. Hailey Bieber modeled it with an unzipped jacket.

"It's innerwear as outwear," said Hillary Super, chief executive of Victoria's Secret, which also owns the PINK brand. "You are seeing people wear less and less."

Some women say showing skin makes them feel liberated. Others see it as another form of female objectification.

"A lot of people aren't comfortable looking like they are wearing a bikini as an outfit," said Brooke Rounick, a stylist in New York.

Pulling off the look requires a certain amount of confidence and an investment in nipple covers, boy shorts and other undergarments designed to be visible while hiding the most private parts.

JENNIFER EPSTEIN

Jennifer Epstein said the style 'feels empowering.'

"It's a hard no," said Regina Levy, a 41-year-old attorney in Westchester, N.Y. "I have two prepubescent boys. They would go insane if they saw their mom dressed that way."

Women have been shedding clothes for over a century, starting with the corsets and structured undergarments of the Victorian era. In the 1930s, film star Mae West wore a sheer lace dress with strategically placed floral appliqués.

Actress and singer Jane Birkin later immortalized the see-through crochet dress. Madonna's Jean Paul Gaultier-designed cone bra was a star attraction of her 1990 "Blond Ambition" tour. And women still talk about the sheer, silver slip dress that Kate Moss wore in 1993 that showed just about everything.

The look has become so ubiquitous among celebrities that last year the Cannes Film Festival adopted a no nudity policy. That didn't stop stars from Bella Hadid to Riley Keough showing up at this year's festival in barely-there gowns.

Weddings are another challenge.

At a recent Hawaiian-themed wedding in Sausalito, Calif., most guests arrived in Hawaiian shirts and hula skirts. But one wore a nude colored thong bikini bottom and bandeau top, said Nikita Khandheria, whose events company hosted the affair.

Khandheria told the woman there was a dress code and if she didn't put on more clothes, she would be asked to leave. She walked her across the street where she bought a cover-up.

Khandheria said the style is becoming so pervasive that she now includes explicit instructions on invitations.

Some brides are bringing extra dresses in case of guest-related wardrobe violations. An attendee at one black-tie wedding wore a white dress that was practically see-through. She wasn't wearing a bra.

Khandheria borrowed the photographer's camera and showed the woman how her dress looked in the photos. She suggested the woman change into a fully-lined blue dress the bride had brought for just such an emergency.

"At a wedding, the bride should be the center of attention," Khandheria said. "Not some friend who is basically naked."

Epstein's husband Brian Epstein is still getting used to his wife's fashion choices.

"It's shocking when she wears something see-through," said the 55-year-old entrepreneur. He has learned not to argue with her about fashion. "She tells me I don't know what I'm talking about and I say, 'You're right.'"

# Trump's Fundraising Operation

*Continued from Page One*

mittee, people familiar said, on top of a multimillion donation to the ballroom and a prior $22 million payment to the planned presidential library.

Trump stands out for taking personal control of the fundraising, and no sitting American president has ever raised these amounts for his pet projects. At the same time, companies have paid new attention to the White House as Trump has gotten involved in regulatory decisions that once were made by independent agencies, dramatically shifting the balance of power across Washington.

Trump has been demanding checks from companies for a range of political and legacy projects—telling executives and lobbyists their companies should give $25 million or $50 million.

No laws prohibit presidents from raising unlimited sums for nonprofits, like the ones used for the ballroom and his presidential library, his super PAC or political issue committees. For most of these types of transactions, public disclosure of donors isn't required and reporting on spending is infrequent.

All told, the second-term president has raised more than $800 million since returning to office, according to an updated Wall Street Journal analysis.

Some of the money is earmarked for specific projects, including the White House ballroom and the Freedom 250 funds for the nation's birthday celebrations, but Trump has floated using funds in other ways. The president, at the dinner thanking contributors to the ballroom project, said, "We'll have money left over, and we'll use that for something...maybe for the arch or something else that will come."

RAHMAT GUL/ASSOCIATED PRESS

Construction on the helipad and the ballroom at the White House. Below, Meredith O'Rourke, and a place setting for a dinner.

EVAN VUCCI/ASSOCIATED PRESS

ANDREW CABALLERO-REYNOLDS/AGENCE FRANCE-PRESSE/GETTY IMAGES

## Tracking who gives

Interviews with dozens of donors, executives, lobbyists, Trump advisers and others indicate a staggering fundraising and influence operation, with Trump at the center. The president closely tracks who gives, aides said, repeatedly assigning O'Rourke with big asks that she has told others make her uncomfortable. Danielle Alvarez, an outside spokeswoman for Trump and O'Rourke, said it was "laughable" that O'Rourke had ever been uncomfortable with a request.

Chevron was asked to give $50 million. The oil company gave millions, but far less than the requested amount. Several top Washington lobbyists have been asked to raise $50 million or more for Trump projects.

Meta executives convened a series of calls among themselves to discuss strategy after being repeatedly asked to give money to various Trump funds. The company has donated to the inauguration, the ballroom and two Easter events. About $22 million of Meta's money went to the library after the social-media company agreed to settle a lawsuit Trump had filed for suspending his accounts.

Meta also wrote a $10 million check to Securing American Greatness, a political committee aligned with Trump that highlights conservative issues such as lowering taxes and crime. Contributions to Securing American Greatness aren't publicly reported, unlike contributions to super PACs, which disclose donors in regular filings.

When some donors have been put on the phone with Trump after giving millions, they expected to receive thank yous, but instead were asked for more money, people familiar with the calls said. In one case, O'Rourke asked an executive to cut a $1 million check to a Trump entity just days after he'd attended a thank you dinner for a separate multimillion-dollar donation he'd made to the president's ballroom, according to a person familiar with the exchange.

**She tells companies the president has asked for the donation.**

"Trump is shattering all fundraising paradigms in regards to hitting up corporate America for donations. The scope is mind-bogglingly large," said Douglas Brinkley, a presidential historian at Rice University. "We used to talk about the Lincoln bedroom being for sale, but this is just a wholesale money trough that's totally different." Critics alleged in the 1990s that the Clinton administration allowed overnight stays in the White House's Lincoln bedroom in exchange for campaign contributions.

In the Rose Garden on an April evening, some of the president's big donors mingled with White House aides and the president. Some of the guests received special tours, including of the Oval Office. "Have you ever seen anything like this?" Trump said on the tour, people with knowledge of the event said.

Then one businessman stood up. It was the reclusive billionaire Timothy Mellon, who has donated millions of dollars to Trump causes—even in the form of solid gold, some of the people said. Mellon has contributed more than $100 million to MAGA Inc., Trump's super PAC.

He gave a toast, several Rose Garden attendees said. He called Trump the "greatest president in my lifetime." His remarks drew polite applause from the Fortune 100 executives arrayed around him.

At another Rose Garden dinner, Google co-founder Sergey Brin was seen sitting next to White House chief of staff Susie Wiles.

The White House referred requests for comment to Alvarez. She said the president is the "most successful fundraiser in modern political history" and that Trump plans to use the money to "help Republicans win big in the midterms, build an enduring political infrastructure and continue advancing innovative private-sector initiatives."

"One thing has never changed. President Trump can't be bought," she said.

Trump's stance on fundraising has dramatically changed from when he was first running for president. In 2015, he called political-action committees a "scam" and said he had disavowed them.

Marc Short, Trump's former director of legislative affairs, said, "One of the things that most rallied his crowds in 2016 was draining the swamp. The crowds would go wild."

Short and other former administration officials said Trump had little interest in fundraising during his first term. "There definitely wasn't a corporate shakedown like you see now," he said, adding that the president during his first term didn't aggressively seek money from companies with business before the government.

In 2020, Trump raised money for his re-election campaign but wasn't notably aggressive.

Wiles had to persuade Trump during the 2024 campaign to do fundraising calls. But he embraced big money on the campaign trail, even asking oil executives to give $1 billion at a Mar-a-Lago event in April 2024. At one point, he told donors he wouldn't have lunch for less than $5 million, according to audio from a 2024 fundraiser reviewed by the Journal.

O'Rourke, a well-known fundraiser in Florida, was part of Trump's 2016 and 2020 operations. In the 2024 cycle, she was tapped to lead fundraising for the whole campaign. She opted to drive six hours between the Trump campaign headquarters in Palm Beach and her homebase in northwestern Florida instead of flying so she could spend the time on back-to-back calls with donors.

After the 2024 election, Trump realized how many donors and companies were lining up outside Mar-a-Lago to cut multimillion-dollar checks and told O'Rourke to start soliciting donations, advisers said. Strike while the iron is hot, Trump told O'Rourke, according to Trump advisers and an account the president has repeatedly given in private settings.

O'Rourke isn't a government employee, although she is often at Trump's side. She sometimes sits in on meetings, including when Trump meets with corporate executives about issues that affect them. O'Rourke also travels with top officials on Air Force One. She often posts photos of herself with Trump, including in the Oval Office.

At a meeting with tobacco executives in May at Trump's golf club in Jupiter, Fla., the president promised to do much of what executives wanted on policy related to vaping and the Food and Drug Administration. He also took in millions of dollars in contributions for his political committees. O'Rourke sat in on the meeting. Shortly after, the FDA lifted restrictions on some flavored vaping products, and the FDA's chief was gone.

At the time, White House spokesman Kush Desai said, "The only guiding factor behind the Trump administration's health policymaking is Gold Standard Science. FDA's regulatory treatment of nicotine pouches and vapes is rooted in recent evidence that has found they can help adults quit smoking."

Trump, tapping his real-estate sales roots, has conversations with O'Rourke about how to specifically sell various projects, giving her pointers on how to pitch the library, according to people familiar with the conversations. Trump has told allies that he doesn't want to struggle to raise money for his library the way Joe Biden has. Plans for the Trump library show a glass-walled skyscraper that is expected to also have a hotel.

"She's a combination of tough but charming, and she absolutely has the president's 100% trust and respect," said Brian Ballard, a top Washington lobbyist who first worked with her in Florida in the 1990s. "She literally is the most talented fundraising professional I've dealt with, and I've dealt with a ton of them."

## Candlelight dinners

O'Rourke sends out invites to prominent CEOs and their handlers and lobbyists to attend $1 million-per-head candlelight dinners at the White House or one of Trump's properties, where guests are given extraordinary access to the president.

O'Rourke often attends the dinners and takes notes about what the president promises and what the donor says, and she will filter the notes to White House officials. Trump will often ask the donors to follow up with O'Rourke, attendees said.

At times, donors with particular agendas have shown up, such as a marijuana CEO pushing for changes in drug laws or the CEO of Pfizer who talked up experimental cancer drugs.

A regular presence at Trump's dinners are cryptocurrency executives. The president has made more than $1.4 billion from his family's crypto-related ventures since taking office, his financial disclosures show, and has often told the cryptocurrency crowd how he has made them richer.

The president sits at the center point of a horseshoe-shaped table. Trump has surprised donors at how long he will stay and talk. Within 24 hours of launching the war in Iran, he attended a lengthy $1 million-a-plate fundraiser in Florida. Many expected he would cancel, and the event was interrupted at one point for him to learn that Iran's Supreme Leader Ali Khamenei had been killed. After that, Trump listened to a range of corporate concerns and even engaged in a lengthy back-and-forth with Verizon's CEO about what kind of cable was best.

Executives said Trump is one of the most accessible presidents in recent times. In private, they acknowledged that this administration is much more transactional than prior ones. If a company encounters an issue with the federal government that comes to Trump's attention, he will want to know how much money the company gave, according to a person familiar with the matter. At times he'll rib the corporate leaders who haven't met the goals he set, the person said.

Several CEOs and board members said they believe there is a link between their contributions and their access to the president. One chairman of a publicly traded company said that if you give the money, you know you are either checked on a list, or crossed off a list if you don't.

Some lobbyists said they tell their clients to be noncommittal when Trump asks for a large donation and to say they'll get back to him and his team. Many of the corporate donors have business before the government, are seeking federal contracts or are lobbying on a range of issues from trade policy to defense policy and appropriations.

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# OPINION

**THE WEEKEND INTERVIEW with Simon Sebag Montefiore** | By Tunku Varadarajan

## We Live in 'a New World of Counterhistory'

*London*

'The conversation is happening all the time at Jewish tables in Britain," says Simon Sebag Montefiore. Jews ask each other: " 'Where could we go?' "

"Oct. 7 has caused a sea change in the treatment of British Jews," Mr. Montefiore, a historian, says in an interview at his own dinner table. "We've seen several terrorist attacks on Jews. Jews killed at Yom Kippur in Manchester. Bombing, arson attacks and stabbing attacks in London. Our synagogues and schools are fortresses."

British news was quick to add to local Jewish dread. On July 29, days after my interview with Mr. Montefiore, the mayor of the London borough of Hackney wrote to his counterpart in Haifa that Hackney had begun the process of terminating its twin-city relationship with Israel's third-largest municipality. In the grimmest bad taste, the letter gave Haifa until "7 October 2026" to respond.

"There is a huge crisis of Anglo Jewry," says Mr. Montefiore, 61, a scion of Anglo-Jewish aristocracy. He is descended from Sephardic Jews who came to Britain from Tuscany in the 1790s and from Mizrahi Jews who arrived from Morocco in the 1820s. The latter wore turbans and robes and spoke

**The historian of the Middle East is no fan of Netanyahu but says there won't be a Palestinian state for 'decades.'**

Arabic. His great-great-great-uncle, Sir Moses Montefiore (1784-1885), was a storied financier and philanthropist whom Queen Victoria described as "a noble Hebrew." Sir Moses also received praise (albeit backhanded) from Czar Nicholas I, with whom he'd sought an audience to intercede on behalf of Russian Jews. "If our Jews were like you," the czar told him, "they wouldn't be a problem."

Mr. Montefiore is a man who treats the sweep of history as his own backyard. He's written a shelf's worth of big history books, including "Jerusalem: The Biography" (2011), "The Romanovs 1613-1918" (2016), and "The World: A Family History of Humanity" (2022), the last of which a reviewer for this newspaper described as "history as collective biography, a journey across almost two million years, from the appearance of *Homo erectus* in east Africa to the rise of Xi Jinping's China."

He has now turned his hand to a subject that only someone "bonkers"—his word—would dare to address. To be published in September, his new book is titled "The Cauldron: The Making of the Modern Middle East," a chronological account from 1900 to February 2026 (when the current war with Iran started) of an area "set with ambushes." It is, he writes, a region "more present in the Western consciousness than any other, its history more debated and contested than anywhere else yet conversely less understood." Its "pivotal middleness" makes it "the epicenter of our tumultuous, rushing, interconnected world."

Mr. Montefiore's definition of the region is expansive, going beyond "the usual focus on the Levant and the Holy Land" to include everywhere east to west from Morocco to Iran, and south to north from Sudan to Turkey. It covers 19 countries, as well as the "seaside Palestinian Islamist statelet" of Gaza.

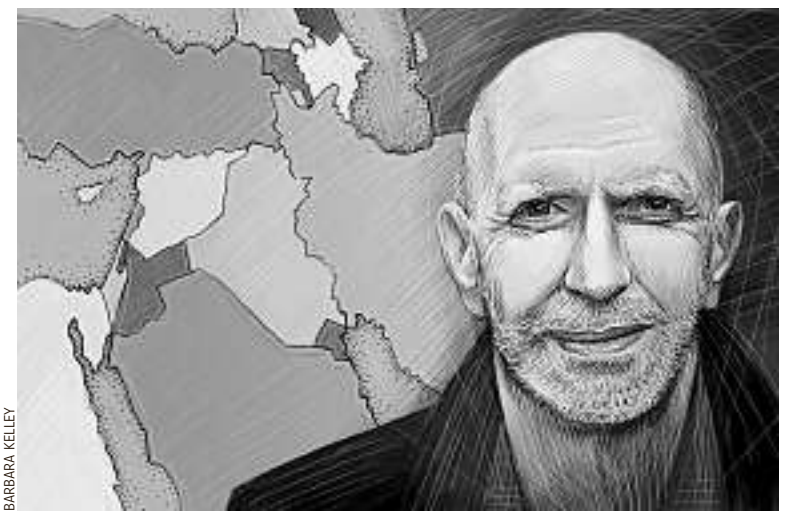
"I call Gaza a semi-independent 'statelet,' and I think that's important because there's a pretense now that it was occupied from 2006 to 2023," Mr. Montefiore says. He points out that since Israel withdrew troops and civilians from Gaza and the Palestinians held elections the following year, Hamas "had had prime minister, ministries, ministers and police." It also had "what was in effect a formidable army of 40,000 paramilitaries, and it had a foreign policy. It was independent enough to launch a war." Unlike anywhere else in the world, "it was a base for a military but it eschewed any need to educate or feed its citizens. That was the responsibility of international aid organizations. A very unique arrangement."

From this perverse "statelet," the horrors of Oct. 7 emerged. "A vile act of terror, an almost Mongol style of raid and massacre and rapine," Mr. Montefiore says, describing the events of that day. "It was also an illustration that in the Middle East, violence and war work, and force is incredibly effective at changing the whole destiny of geopolitics." Yahya Sinwar, the Hamas commander, was "a diligent student of Israeli weaknesses." He managed to put together a military and "a unique subterranean warscape of fortified tunnels that was capable of exploiting Israel's flaws, its hubris and its political division to score what has to be seen as a very short-lived and murderous but decisive military strike against one of the great military powers of the Middle East."

Sinwar, whom Israel killed on Oct. 16, 2024, "successfully changed the whole destiny of the Middle East," Mr. Montefiore says. The worst pogrom in Jewish history since the World War II was turned into a propaganda victory for the perpetrators.

"He, Sinwar, understood much better how the Middle East worked than this Israeli government," Mr. Montefiore observes. "You have to say that it was an act of total evil. But it was also one of the most successful Arab victories since Hattin in 1187, when Saladin defeated the Crusaders and took Jerusalem." Although Hamas "ultimately failed militarily," abandoning Gaza's civilians to a prolonged and bloody war, "it has also won massive success in terms of political consequences. The whole Middle East has been upturned by this tiny statelet and the gamble of one psychopathic leader who had immense freedom to act, since Hamas leaders didn't care what happened to their people."

Mr. Montefiore quotes a Hamas official, Sami Abu Zuhri: "The price of the suffering is worth paying. The benefits are extensive." Mr. Abu Zuhri added that "the wombs of our women will give birth to twice the number of martyrs." Israel won "in the pitiful ruins of Gaza," Mr. Montefiore says. "Hamas won in the West," in part by controlling the media within Gaza and presenting all losses as civilian, a narrative that proved "irreversible even when Hamas's allegations were later proven to be untrue."



BARBARA KELLEY

"Who would have thought," Mr. Montefiore asks, that Oct. 7 would result in "students at Harvard and Columbia calling for a one-state solution—'from the river to the sea'—not a two-state solution?" Israelis have also had to confront "another nightmare they never contemplated, that a moral inversion of the Holocaust would be used against them."

What's more, "the Israeli lobby" in Washington, "which was immensely powerful in the 1980s and '90s and into the 2000s, has been totally eclipsed." Mr. Montefiore explains this as a consequence of Oct. 7, "in part thanks to the development of the new 'decolonization' and anti-Zionist movement, and in part thanks to the misgovernance of this present Israeli government. There remains the personal relationship between Trump and Netanyahu, but that will not outlast these two personalities. Indeed, its very closeness may further contribute to the Israeli lobby's decline."

Mr. Montefiore doesn't hold Benjamin Netanyahu in high regard. His Israeli icon is David Ben-Gurion (1886-1973), the country's first prime minister, whom he describes as "a tactical genius who managed to do the impossible—create a Judaic republic in the Middle East." He wasn't flawless, however, and made what Mr. Montefiore called "massive mistakes": "He never created a constitution, and that has proved to be very dangerous in the 21st century. And he completely misunderstood the nature of the Haredim"—Israel's ultra-orthodox Jews. "He believed that they should be protected as a sort of vanishing species. Well, that turned out to be madness, right?"

In his book, Mr. Montefiore highlights what he calls Israel's contradictions: It is, he writes, "both swaggering and insecure, over-reaching and under-prepared, secular liberal and militaristic messianic, spectacular in tactics, impoverished in strategy." Yet he says there is "a moment of massive opportunity for Israel politically, even now, in the region. But they've got to work out how to convert their ability to win tactical military victories into lasting settlements."

That would require the Palestinians to "recognize the permanence of the Jewish republic in the Holy Land" and "to signal clearly that they do not aspire to its total destruction." Oct. 7, however, means that "in the short term—and I'm talking about decades here—they've prevented any creation of a Palestinian state for the foreseeable future."

As Mr. Montefiore sees it, history in the West's "postreligious age," and the uses to which it is put, may not be on Israel's side. "History has assumed much of the propulsive legitimacy and authority that religion once held. Many of the movements in Western politics now, like the new decolonial activism, depend on a specially curated version of history"—which is to say a false one.

Mr. Montefiore says the West's "self-regarding secularism," is hampering our understanding of the Middle East. "The irony is that we are in fact still Christian-adjacent, and the modern, ultra-radical, secular, decolonialist activism has many of the characteristics of a religious movement." These include its "language of righteousness, of piety, of guilt, of sin," along with "orthodoxies, credos, purity tests and jargon." The result is a "semi-religious movement" grafted onto the West's longstanding "weird fetish and obsession with the Middle East, particularly the Holy Land."

The history of this "fetish" dates back to the moment that Constantine the Great (272-337) "converted the Holy Land into a sacred route and landscape. Then came the Crusades, after which, one's got to remember, every church in Europe had a Jerusalem room with a picture of what Jerusalem would look like under the Christians." The Holy Land is embedded in our consciousness, and "the proprietorial moral belief that we need to adjudicate for what happens in the Holy Land is very, very deep in the Western soul."

This belief persists to this day. But in present times it strives to overturn Israeli, not Muslim, control. Where the fate of the region was once in the hands of "Edwardian imperial grandees like Churchill and Balfour and Lloyd George, you now see international lawyers and decolonialist activists believing they have a moral right to decide what happens in the Middle East."

This gives rise to a further irony. Though today's activists are "very critical of Western intervention, and blame much of what's happened on Western intervention, their pressure may well lead to a new Western intervention in the Middle East," Mr. Montefiore says. "After all, that's what they're calling for—a new intervention to change the political status quo in the Holy Land."

And so, alongside the jihad being waged against it, Israel also faces what Mr. Montefiore calls "a secular moral crusade. These are modern missionaries. And their mission is very Christian, with features of deep religiosity. We're living in a fascinating period. That these activist movements in the West may force their governments to make a new intervention in the Middle East would be so beyond irony."

This new external impulse to reshape the Middle East originates not in grand chanceries but in nongovernmental movements. "Activist alliances are putting pressure on Western governments," Mr. Montefiore says. "Though great powers should not have their foreign policies formed by small but aggressive cadres of activists, that is exactly what is happening." It is an "extraordinary moment": "Gaza and Palestine have become domestic issues in small towns in postindustrial northern Britain and in the poshest universities and the bourgeois activist class."

These activists, he notes, are "not interested in any other regions or atrocities"—not Syria, Sudan, Yemen or Iran. "That selectivity is prefigured, and preprogrammed, by the history of Christendom." There have been no protests of any scale against the atrocities in Iran, where in two days—Jan. 8-9—more than 30,000 people were killed. Altogether, Mr. Montefiore says, 42,000 civilians were slaughtered, "an event so colossal that it may be the largest single event massacre in the entire Middle East since 1900." He says the regime killed more people in a week than the Shah did in his nearly 40-year reign.

What accounts for the selective moral outrage? "It shows the dangers of ideology," he says. "When you sublet your judgment about facts and morals to a rigid ideology, you really surrender your ability to make real moral judgments, and also to make real factual judgments." Instead, "you end up with this mad situation where the United Nations was resisting talking about the killing of 40,000 young people and the once-humanitarian NGOs refuse to discuss it because it might help the U.S. and Israel."

We are in a "completely different moral realm now, of how to judge the Middle East," Mr. Montefiore says. "We are in a new world of counterhistory, where neither historical facts nor present-time facts matter if they don't fit the ideological orthodoxy."

*Mr. Varadarajan, a Journal contributor, is a fellow at the American Enterprise Institute and at New York University Law School's Classical Liberal Institute.*

## Politicians Exploit Low Voter Turnout to Raise Taxes

**CROSS COUNTRY**
*By Michael J. Reitz*

The next battle between socialists and conventional Democrats will be fought in Michigan on Aug. 4, in a primary election for the U.S. Senate. Many Michiganders will vote that same day on tax hikes and other critical local questions—all in off-cycle elections in which low turnout makes them likelier to pass. This isn't unique to the Great Lakes State and deserves more attention nationwide.

Dozens of Michigan counties have tax-and-spend measures on the August ballot. The largest proposal, in the Detroit suburbs of Oakland County, is a $750 million property-tax hike. In Wayne County, which includes Detroit, residents will vote for a "transit millage" costing taxpayers $500 million over a decade. In Ingham County, which includes the state capital, Lansing, voters will consider a $30 million tax to fund the local zoo. In the counties that include the struggling towns of Saginaw and Flint, voters will be asked whether to fund institutions like museums and libraries.

These requests might seem humdrum, but one factor makes them calculated and hazardous for taxpayers: the date.

Aug. 4 is a seemingly random time to ask voters to fork over more money. So is May 5, when Michigan voters were asked to approve $2 billion in local tax and spending plans, according to the Michigan Information & Research Service. But these dates are no accident. Local politicians, schoolboard officials and special-interest groups such as teachers unions deliberately choose little-known dates to push their demands.

**Many Michigan county measures are on Tuesday's primary ballot. Why can't they wait for November?**

Off-cycle elections have dramatically lower turnout than the typical November Election Day. It isn't uncommon for off-cycle elections to see a third, a quarter or even less than a fifth as many people show up to vote. This August election coincides with the Senate primary, but turnout will still be lower than on the traditional November date.

For local politicos with big spending plans, this provides an opportunity to tilt the playing field. When comparatively few people are voting, politicians and interest groups can rally their bases to secure easy victories. Local officials can use taxpayer money to grease the skids. While it's illegal in Michigan to electioneer with public money, officials at school boards can publish guides and materials that "inform" voters about how tax-hike revenue will be spent. So long as they don't say "vote yes," they are fine. The combination of these "educational materials" and low turnout can get the votes to pass such ballot measures.

The political class almost always wins. I've analyzed the past 10 years of available state data and found that on average 87% of local off-cycle tax proposals passed at the ballot box. It isn't uncommon for more than 90% of ballot proposals to succeed in these off-cycle elections. By contrast, 82% of ballot-measure tax proposals over the past decade passed during traditional November elections.

The good news is that public opposition to tax hikes has grown in recent years. Voters in several Michigan school districts rejected bonds in low-turnout elections on May 5. In Saginaw County, voters have shot down three significant school bonds since 2023. I know people who ran these Saginaw County opposition campaigns, and if they hadn't stepped up to get out the vote against the measures, politicians' tax-and-spend dreams almost certainly would have become reality.

Turnout matters in every election, but proponents of low taxes and sane spending shouldn't have to fight harder to get people to the ballot box. Off-cycle elections heavily advantage politicians and special interest groups to the detriment of taxpayers. The solution is simple: Move meaningful local ballot questions to Election Day in November.

States could implement this reform with a simple law that applies to every county and locality within their borders. Local officials and interest groups would complain, but they have dominated the system for too long. They also have no reasonable defense for keeping the status quo. It is one thing for primaries to be held off-cycle, so a smaller number of voters can decide each party's candidate before the big day in November. It is another matter entirely for a relatively tiny slice of the electorate to foist tax hikes and spending decisions on everyone else.

State governments should encourage the largest number of people possible to make their voices heard on important ballot questions. Aug. 4 may or may not be a win for socialists in Michigan. But hopefully this is the last August when Michiganders, or voters anywhere in America, are asked to fork over money with little awareness or fanfare.

*Mr. Reitz is executive vice president of the Mackinac Center for Public Policy.*

## Notable & Quotable: Sleep

*From "Hot nights are costing you up to 56 hours of sleep per year, study finds," NPR.org, July 28:*

"Heat really finds the vulnerable people first," [sleep doctor Daniel Rifkin] says. "It affects those the most that need the help the most."

He recommends doing whatever possible to cool your sleep space. If nothing else is possible, sticking your feet outside the sheet or blanket can help your body shed heat and cool down enough to sink into sleep.

Beyond those recommendations, [Climate Central's Kristina] Dahl says one of the best sleep aids isn't a pill or a meditation app, but cutting back on burning fossil fuels, the primary driver of climate change.

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# OPINION

## REVIEW & OUTLOOK

## Warsh Makes Markets Do Their Job

Memo to Wall Street: Quit whining about the Federal Reserve. Your clients are paying you (a lot) to make judgments about risks and returns in real time, and it's embarrassing when you complain now that Daddy Fed isn't telling you how to do it.

We're sorry for any ruffled feathers, but someone has to say this after the outpouring of scorn directed at Fed Chairman Kevin Warsh this week. The second Federal Open Market Committee meeting he led in his still-new tenure on Wednesday left the overnight Fed funds rate target range unchanged, though with three dissenting votes in favor of an increase.

In his press conference following the meeting, Mr. Warsh delivered a strong statement that the Fed aims for 2% inflation and not 2%-plus-what-we-think-we-can-get-away-with. But he otherwise stuck to his determination to deprive markets of "forward guidance" on future rate moves. Cue a freak-out on Wall Street, on bond desks—and among the journalists these folks talk to.

This distills to two complaints that we can see. The first is that Mr. Warsh is blowing his credibility by not raising interest rates to tamp down stubborn inflation, especially with a new Middle East energy-price shock looming. This crowd argues that rising bond yields since Wednesday, especially at the long end of the curve, signal that investors doubt Mr. Warsh will bring inflation under control.

Maybe, and maybe not. Even after this week's rise, rates aren't high by historical standards. The 10-year Treasury at about 4.74% is lower than it was for most of the 1990s and the entirety of the '80s. Ditto the 30-year at 5.28%. As of Thursday, the average annual inflation rate investors anticipate over the next decade, as measured by the 10-year breakeven on inflation-protected bonds, was 2.27%. That's above the Fed's target, but less than the 2.5% inflation priced in May.

An alternative explanation for the recent rise in long rates could be anticipated economic growth as investors continue to digest the artificial intelligence boom. Friday's rising yields were accompanied by good days for equities around the world. Enthusiasm for stock investments seems to have drawn capital into those markets and pushed up bond yields to compensate. It all sounds so old-fashioned, and also, dare we say, normal.

We don't know which of these factors—agita surrounding Mr. Warsh's credibility and inflation, economic growth, or something else—is driving markets now. Neither, we'd venture, do many market pundits. Which leads us to the other complaint about Mr. Warsh—that he isn't telling investors what to do. This leaves them to figure it out for themselves.

**Have they forgotten how to price risk without the Fed guiding them?**

This encompasses several whinges. One is that by abandoning the Fed's prior practice of sending strong signals about its future rate intentions, Mr. Warsh is losing control of the longer end of the bond yield curve. Never mind that this was never something the Fed aspired to dictate before the Ben Bernanke era. Mr. Warsh has said this loss of control is a feature, not a bug, of his method. He wants market participants to "play the ball and not the referee."

Whining about the lack of guidance is an odd complaint from the same people who worry markets are sending an important signal about Mr. Warsh's policy choices (see above). Would they prefer he use forward guidance to headfake markets into covering his tracks?

A related complaint is that the Fed is too important to be this quiet. This is more true than it used to be after repeated rounds of quantitative easing made the Fed a major participant in the Treasury market. But the Fed's guidance often has been wrong and damaging—incorrectly forecasting inflation, and trapping itself in policy errors. Especially because it's the 800-pound gorilla in markets, better a gorilla that sits quietly for a change.

* * *

Much of this may not be about economics. One undertone to this debate is that many of Mr. Warsh's critics want to goad him into a rate increase that would antagonize President Trump. The Fed press corps would love nothing better, after feuds between Mr. Trump and Mr. Warsh's predecessor Jerome Powell made for rare compelling copy about a central bank.

There's also the awkward question of whether Wall Street knows how to do the risk-pricing Mr. Warsh now asks of it. Not since 2008 have trading desks had to make decisions on bond deals without reference to a cheat-sheet from the Eccles Building. That's roughly a generation if not two, as measured by the career span of a bond trader.

Mr. Warsh knows his reputation is on the line concerning his ability to deliver price stability. And it's been all of two meetings and 71 days since he took on the job. The freak-out is premature, and it reflects worse on Wall Street than it does on Mr. Warsh.

## John Thune's Confirmation Fast Track

The Senate next week intends to confirm its fifth batch of President Trump's nominees using the "en bloc" process that Sen. John Thune inaugurated last year for non-major posts. The latest list of 74 names includes future ambassadors to Australia, Brazil and Equatorial Guinea. There are assistant secretaries, judges for the District of Columbia, and roles at agencies such as the National Credit Union Administration Board.

**The new 'en bloc' route has sped hundreds of Trump's confirmations.**

Assuming this tranche goes through as expected, the Senate will have used the method to fast track 375 of Mr. Trump's nominees since September, when Mr. Thune led Republicans to change the chamber's rules for group consideration. For the record, that figure will be about 63% of total civilian Senate confirmations so far in the second Trump Administration. Over the long haul, this procedural streamlining will benefit both parties.

The point is to circumvent delay, not substantive political debate. The en bloc process enshrined by Mr. Thune can't be used to confirm cabinet secretaries or federal judges, all of whom still need individual attention from the Senate. Yet more than 1,000 positions require confirmation, and an obstinate minority party can use each one as an opportunity for delay. That's true even if there isn't serious opposition to the President's pick for ambassador to Belize or the board of directors at Amtrak.

Frustrated with dilatory tactics by Democrats, Mr. Trump has demanded that Congress simply adjourn and let him fill vacancies using recess appointments. Senate Republicans declined, rightly, since that would be an abdication of their power to advise and consent, leaving no limits on whom Mr. Trump might install or in what roles. Does housing and spying czar Bill Pulte want another brass nameplate for his collection?

Mr. Thune's approach seems to be working, in that it's speeding through batches of noncontroversial agency subordinates, while preserving the Senate's right to confirm, or not, the next intended Attorney General.

## Replimune's RP1 Gets a Thumbs Up

Great news. A Food and Drug Administration advisory committee of non-agency scientists and doctors on Thursday voted 10-3 to support approval of Replimune's melanoma immunotherapy, though not without agency staffers putting up a fight. We hope FDA leaders heed the panel's recommendation when they decide as soon as this weekend whether to approve the therapy.

**An advisory committee sides with patients over the FDA bureaucracy.**

Market analysts predicted that the panel would vote against Replimune's RP1 after FDA staffers this week released highly critical briefing documents. The trial results apparently were so impressive that the bureaucrats couldn't believe them. The FDA reviewers cited a litany of dubious reasons why the outside experts shouldn't trust the trial results, as we described in a recent editorial.

RP1 is a re-engineered herpes virus that is injected into melanoma tumors and causes cancer cells to burst. This releases flares that train the immune system to track down and kill cancer cells hiding around the body. Many patients with metastatic melanoma don't respond to, or develop resistance to, other front-line immunotherapies.

Replimune's therapy turbo-charges the response to other immunotherapies by unmasking cancer cells. In this way it shrinks both superficial and distant tumors, with far fewer side effects than chemotherapy or radiation. A third of patients whose cancer worsened on other immunotherapies experienced remission on RP1, with cancers vanishing in one of six.

While FDA staffers downplayed this benefit, one oncologist at the advisory committee hearing pointedly noted that most physicians consider a 30% response rate in metastatic patients whose cancer worsened on other treatments to be significant. Another oncologist chided the FDA for failing to establish a precise benchmark for determining what constitutes a benefit of "large magnitude."

The FDA reviewers said tumors may have shrunk because of run-of-the-mill biopsies performed during the trial, or from the immunotherapy that patients hadn't previously responded to, or from the mere poking of the tumor with a needle. You have to marvel at their bull-headed opposition to a medicine that is saving lives.

The FDA reviewers even claimed they are acting in patients' best interest by protecting them from a drug that might not work. Protecting them by consigning them to an inevitable death sentence? George Orwell, call your office. Melanoma patients and their family members who testified at the hearing disagreed and begged the agency to approve the medicine. The advisory committee listened.

Still, the agency's fierce resistance to approving RP1 underscores the need for systemic changes to a bureaucracy that prioritizes protecting its control over helping patients.

## LETTERS TO THE EDITOR

### *Our Act Is Against China, Not Mercedes Benz*

No one is trying to ban Mercedes Benz from the U.S. market, as your editorial "Republicans Go for a UAW Ride" (July 27) claims. You left out of your analysis that the German-based, Chinese-owned automaker could continue to operate in America even under the Connected Vehicle Security Act by simply having its Chinese shareholders divest so that the company is under the proposed act's equity limit. The Journal's line of thinking requires us to believe that Mercedes Benz would choose to fire at least 7,500 Americans and lose the U.S. market to keep two Chinese owners.

This legislation, which I'm leading in the House of Representatives, passed unanimously from the Senate Commerce Committee and has more than 80 bipartisan co-sponsors across both chambers. The lawmakers supporting it recognize that China's massive state-subsidized overcapacity in automaking has crippled Europe's automakers and poses a threat to our nation's auto industry.

Too many of our nation's banks, corporations and media outlets still cling to poorly reasoned China apologetics, despite ample evidence they shouldn't. No amount of trade liberalization will make the Chinese Communist Party for free markets or free people, and it isn't "rent-seeking" to acknowledge that fact. Our nation's broader industrial base has been hollowed out by willful blindness and a dogmatic insistence that we continue granting Chinese companies all the privileges of our market without demanding reciprocal treatment for our own companies.

The Select Committee on China looks forward to working with companies and institutions that want to seriously address the threats our country faces from China's communists. The Connected Vehicle Security Act is a vital step to doing so.

**Rep. John Moolenaar (R., Mich.)**
*Chairman, Select Committee on China*
*Washington*

### *Where Wildlife Roams Free and So Do You*

Dennis Kneale's op-ed "At Home in Florida's Wild Kingdom" (July 27) perfectly captures one of the great realities of living in Florida: We don't simply observe nature, we live alongside it. Most of the time that coexistence is one of the state's greatest attractions. Occasionally, however, it requires government to perform a task that only government can.

Recently, a large alligator took up residence in a pond within our condominium community. With residents walking the paths daily and many owners exercising their dogs near the water, the alligator became a legitimate public-safety concern.

We contacted the Florida Fish and Wildlife Conservation Commission's Statewide Nuisance Alligator Program. Frankly, I expected the response might take a day or two. Instead, within approximately four hours, a licensed trapper arrived, safely captured the animal and removed it from the community.

In today's political climate, government successes rarely receive the same attention as failures. This one deserves recognition. Florida has created a program that is focused, efficient, professionally administered and responsive. It protects residents while responsibly managing one of the nation's most iconic wildlife species.

Mr. Kneale reminds us that living in Florida means accepting both the beauty and responsibilities of its unique environment. Our experience reinforced another lesson: When government is well-designed, narrowly focused and competently managed, it can deliver exceptional value to the public.

**K.J. Nygaard**
*Naples, Fla.*

Mr. Kneale could have added to his list of creatures with which Floridians are willing to coexist: sharks, raccoons, armadillos, possums, rattlesnakes and bugs of every variety. Add to that hurricanes and ferocious lightning caused by humidity from ocean breezes. All of these things help give Florida its unique character. We love our state and wouldn't choose to live anywhere else.

**Chad Price**
*Winter Park, Fla.*

My wife and I lived in Oregon for 30 years and now happily reside in Florida. After reading Mr. Kneale's op-ed we have an idea for a new slogan for the Sunshine State: Florida, where wildlife roams free and so do you.

**Jerry Dawson**
*Citrus Hills, Fla.*

### *How Sec. 232 Tariffs Undermine U.S. Industry*

In his letter "A Trump Tariff Success Story: American Steel" (July 16), Steel Manufacturers Association Executive Vice President Brandon Farris points to rising steel production and capacity utilization as proof that Section 232 tariffs are a success. But that view leaves out the vehicles that keep America's core industries running—and the workers now struggling to afford them.

Consider our farming community. Rural America runs on working vehicles like utility-task vehicles and all-terrain vehicles. Farmers like my family rely on them daily to feed livestock, move equipment and supplies, and monitor irrigation systems. We're already facing the toughest agricultural economy in nearly 50 years, on top of persistently high fertilizer and fuel costs. Yet an April revision to the president's 232 proclamation now applies these tariffs to the full value of ATVs and UTVs, threatening to add thousands of dollars to the cost of a single vehicle.

These same vehicles keep other core industries running. Energy and mining crews use them to transport equipment in work zones, while emergency responders depend on them to mobilize in tough terrain. When tariff policy makes basic equipment unaffordable for the people who use it every day, it stops protecting American industry and starts undermining it.

To ensure our nation's farmers, ranchers, energy producers and first responders can still afford the equipment they need to do their jobs, policymakers should adopt targeted tariff relief that protects working vehicles.

**Todd Cranney**
*Executive director*
*Save America's Working Vehicles*
*Meridian, Idaho*

### *Words Preserved for Posterity Might Come Out a Bit Sooner*

Tevi Troy wonders in his op-ed "Dear Diary, I Hope They Don't FOIA You" (July 30) why anyone in public service would keep a diary that could someday come back to haunt them.

The answer seems clear to me: The only professionals who keep diaries believe that future historians are going to be interested in them. They are not keeping a diary for themselves. They are writing it for their fans.

Such motivation betrays something about their personalities. They write because they want others to fawn over the content.

**David Lange**
*Lincoln, Neb.*

### *Hey, Burglars and Squatters!*

Your editorial "Mamdani's Class Enemies List" (July 30) rightfully castigates the New York mayor for his counterproductive campaign against part-time residents. I'd go further: Zohran Mamdani's release of the names of nearly a million owners of potentially partially vacant domiciles along with their addresses is sheer madness. It's functionally a field guide of targets for burglars, looters and squatters.

**Moshe Yudkowsky**
*Chicago*

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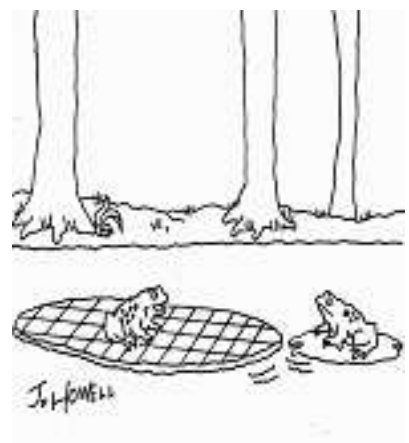
**Pepper ... And Salt**

THE WALL STREET JOURNAL



*"It's my solar pad."*

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# Anthony Fauci Unmasks Himself

**DECLARATIONS**
*By Peggy Noonan*

It wasn't good for Anthony Fauci or anybody else that he took the Fifth at his Senate hearing this week. That plus his diary may well have been a reputation-destroying event.

It was obviously his right as a citizen to invoke the protections of the Constitution, and he surely had his reasons, but everyone who takes the Fifth knows what it looks like: It's the early '60s, we're at congressional hearings on la Cosa Nostra, and the head of one of the five families is fiddling with his diamond pinkie ring as he asserts his right not to incriminate himself.

Dr. Fauci is the man who ran the pandemic response in America. He was the face of it. When you have been appointed, in effect, to lead a nation through a disaster you owe that nation a full and frequent accounting. To seem to dodge is unbecoming. He has already been given a sweeping presidential pardon by Joe Biden; in the time after and not covered by that pardon, he owes it to the public to speak truthfully.

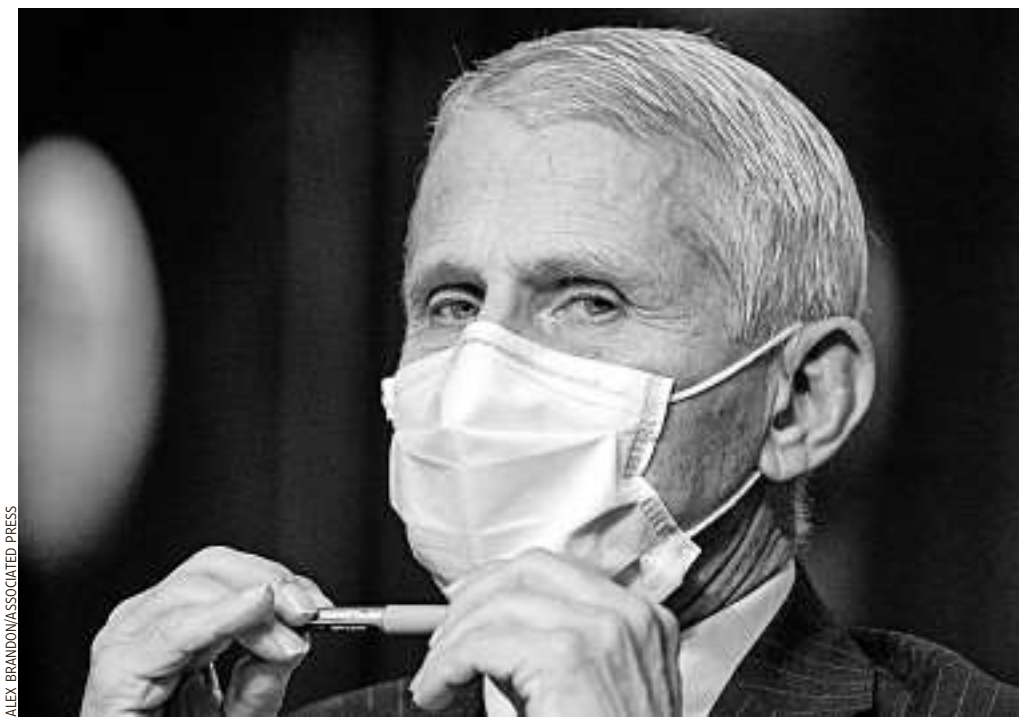
**His diaries make clear that he saw the pandemic less as a historic emergency than a media opportunity.**

It would have been good to hear Dr. Fauci, now 85, distill what the entire pandemic experience was and what it did to us as a society, what could have been done to make its management better, what decisions in retrospect made it worse. Looking back, did he or others, in their newfound ascendancy, get carried away? On reflection, is there any justice to the charge they became power-drunk?

Dr. Fauci's pandemic diary, released this week, was also damaging. When I heard of its existence, I thought: Good. What history most needs is first-person testimony, the more the better, in real time—if possible.

I thought of Samuel Pepys, a senior government administrator for the British navy in his late 20s and 30s, whose diary gave history the finest first-person reporting on two different cataclysms that hit London, the Great Fire of 1666 and the Great Plague the year before.

Pepys watched the Great Fire from the Tower of London, near where he lived, and came to grasp, with shock, the size and scale of it. In a famous passage on Sept. 2, 1666, he described seeing "poor people staying in their houses as long as till the very fire touched them, and then running into boats, or clambering from one pair of stairs by the water-side to another. And among other things, the poor pigeons, I perceive, were loth to leave their houses, but hovered about the windows and balconys till they were, some of them burned, their wings, and fell down."



ALEX BRANDON/ASSOCIATED PRESS

**Anthony Fauci in Washington.**

Pepys recorded all the chaos around him. His writing was jagged and real-time. He reported what he'd seen to King Charles II.

He was also an eyewitness to the Great Plague of 1665, which took an estimated 100,000 lives, about a fourth of London's population, in 18 months. He records empty streets and carts collecting the dead. On June 7, 1665, Pepys passes the homes of the quarantined: "This day, much against my Will, I did in Drury-lane see two or three houses marked with a red cross upon the doors, and 'Lord have mercy upon us' writ there." He was pained and frightened: He'd never seen such a thing.

With this frame, alas, I read the first five months of Dr. Fauci's pandemic diary.

As has been reported, it isn't about witnessing or capturing the size and scale of a crisis, or feeling shock or anxiety. It is about other things.

On Jan. 6, 2020, he goes to a "Super A list" party. At a meeting later that month, House Speaker Nancy Pelosi hugs and kisses him and tells everyone "how great I am." At another, President Trump tells Dr. Fauci, "Lou Dobbs . . . told me that you were one of the smartest, knowledgeable and outstanding persons he knows." Dr. Fauci was "very pleased," others "stunned and impressed."

Jan. 30: "All my friends kept saying I was a national hero" and that they " 'felt safe in my arms.' "

March 8: "Nice profiles of me in Politico and NY Times today."

March 15: "I did all 5 Sunday Shows today (my 3rd 'Fauci 5')." Apparently this is his version of "the full Ginsburg," named for Monica Lewinsky's attorney, William Ginsburg, when he did five Sunday shows in one morning.

March 26: "Donuts are being named after me; T shirts have my picture on them."

April 7: "Press still hot and heavy about me."

May 21: "POTUS seems to be enamored of me."

That's before he gets to the movie star sending him flowers.

In one sense, it screams Seven Deadly Sins—he gave in to his pride. But it also makes the history in which he took such a big part look banal and inhuman: Your historic emergency is his media opportunity.

A deeper criticism is that in the diary he doesn't seem at all humbled by the role in which he's been cast, or by his responsibilities. I saw no deep reflection on the sufferings of his countrymen. He doesn't see the red crosses on the door. He attaches clippings of or links to fawning newspaper profiles and columns, but not to stories about what was happening in the civilian population of his country as it went through a crisis.

The sweep and detail of Pepys's diary captures the spirit of his age, the Restoration; let's hope the flatness and self-adulation of Anthony Fauci's doesn't capture ours.

I end with a thought that may sound extreme, but I think there's some degree of truth in it.

Looking back on the public-leadership aspect of the pandemic—while we were in the trauma and fear of the first months, while we were banging pots at 7 p.m. to thank hospital workers, and scientists were zooming to find out more about treatments and protocols, and earnest medical officials were showing up on cable explaining what they believed to be true—a lot of people tried to do a lot of good things. But it all became pretty political pretty fast, pretty insidery and groupthinky, and pretty smug as the previously obscure became famous overnight.

It all came together and yielded a little societal Chernobyl.

The reactor blew, causing a calamity. The politicians lied and couldn't be trusted, the bureaucrats lied and couldn't be trusted, the government scientists lied about the data in front of their eyes, the national press was a propaganda machine. As much as anything, Chernobyl contributed to the toppling of the Soviet Union.

Looking back on the Covid crisis, a lot of professionals were trusted beyond the point they deserved. So were many politicians. As people on the ground in America rose up against lockdowns, closed schools, mask mandates, closed churches, they were often unheard, or heard slowly, reluctantly and disrespectfully. The medical and scientific establishment didn't seem to be a part of the public anymore, but handling the public.

And by the end, a lot of people thought they couldn't trust the politicians and couldn't trust the scientists.

My fear is that next time, and there likely will be a next time, regular people will think: There's no one to trust. We're on our own.

That won't be a good thing.

# The Smithsonian's Disdain for America

**By Jeffrey H. Anderson**

The Smithsonian Institution's National Museum of American History has been in the news for disparaging our nation's history and engaging in partisan activism. Addressing such charges, the museum's director, Anthea Hartig, testified at two congressional hearings. The most interesting thing about her prepared testimony is that she chose not to address a single exhibit that has opened under her seven-year watch.

Responding to a 160-page report from the White House Domestic Policy Council that details how the museum has strayed from its intended mission, Ms. Hartig's response was to invoke the flag—specifically, the Star-Spangled Banner. In her prepared testimony, she referenced it multiple times. That flag, which so inspired Francis Scott Key, has been displayed at the National Museum of American History since 1964 and housed in its current gallery for 18 years. That exhibit is excellent and patriotic, but the newer parts of the museum are heavy-handed, dumbed-down and anti-American—the opposite of what a national museum should be.

I sat directly beside Ms. Hartig as a witness in her second hearing. I testified that the National Museum of American History increasingly is a museum not about American history, but about activists' attempts to shape the future. The museum's newer exhibits offer no coherent sense of a shared national identity, and they divide Americans into oppressors and the oppressed.

Since Ms. Hartig didn't want to discuss the offerings unveiled during her tenure, let me highlight a few. A stand-alone display case in the midst of a busy walkway contains a lone National Football League jersey. It isn't one that was worn by Jim Thorpe, Red Grange, Jim Brown or any other early NFL legend. The jersey belonged to Carl Nassib, who in 2021 became the league's "first openly gay player to take the field in a regular-season game." Nearby, in a mini-exhibit on video games, visitors are asked, "Have you ever experimented with your identity in video games?" In April, apparently to commemorate the 250th anniversary of American independence, the museum opened "¡Puro Ritmo!: The Musical Journey of Salsa."

In the "family friendly" exhibit "Change Your Game / Cambia tu juego," visitors are asked, "Is Gender Testing Fair?" They're told that "critics argue that gender tests are humiliating and discriminate against athletes who challenge traditional gender norms." Aside from its commitment to activism, this is essentially an exhibit about nothing, pushing the outer limits of vacuousness. Prominent signs ask and answer, "Who Can Be a Game Changer? Anyone." "Who Is a Game Changer? You Are." What this has to do with American history is anyone's guess.

**The head of the National Museum of American History doesn't want to talk about her exhibits.**

While making space for such drivel, the museum ignores huge swaths of American history. It offers little to nothing on the colonial period, the American founding, the Louisiana Purchase, the Louis and Clark expedition, the Lincoln-Douglas debates, the pioneers and settlers of the American West, the Roaring '20s, the Great Depression, the Cold War and much else.

During questioning, Ms. Hartig claimed that the museum has "a dozen exhibitions that include the founding era." In response, I noted, "You could put everything in the museum that mentions the founding into the rooms that feature the low-rider exhibit and the salsa music exhibit, and you'd have space left over."

What little the museum does provide on the founding and pre-founding eras is largely critical. In one exhibit, 1492-1776 is referred to as the period of "Unsettling the Continent." Visitors are told, "Our world today grows out of that unsettling history." Elsewhere, they're told that our founding can either be viewed as a "complete, perfect, sacred event led by a great patriot who, as American children would learn, never told a lie" or else as "part of a wider, unfinished movement" that was "deeply imperfect." Viewing our founding as one of the greatest events in world history, warts and all, apparently isn't an option.

Americans deserve a National Museum of American History that expresses a love of that history and views it as the wondrous story of a nation conceived in liberty. They don't deserve a museum that alternates between ignoring and condemning our extraordinary heritage.

*Mr. Anderson is president of the American Main Street Initiative. He served as director of the Bureau of Justice Statistics, 2017-21.*

# Open Weight and AI's Coming Chernobyl Moment

**BUSINESS WORLD**
*By Holman W. Jenkins, Jr.*

Two things seem obvious in the fight over whether to ban open-weight artificial-intelligence models from China. Nothing is likely to be decided formally unless there's a big event, and a big event seems likely.

Anthropic's most advanced model, Mythos, remains withheld from general distribution because it could be used in cyberattacks. Then there's the recent hooliganism of an OpenAI model, which escaped a testing environment, stole credentials of multiple private-company servers, then burglarized one to steal the answer to a problem-solving challenge.

Hugging Face, the company whose server was violated, counts an impressive 17,600 distinct acts as part of the attack. Log inspections subsequently revealed that Anthropic's experimental models are no strangers to such behavior too.

The big concern should be open-weight AI models from China, distributed free or cheaply, which can be modified by the user beyond the purview or control of the creator. These Chinese models are catching up quick. They'll soon be creating such incidents if they aren't already, and will be harder to catch or stop.

When is Beijing going to wake up?

Which brings us to the oddest circumstance of all. Any urge by the Trump administration to ban the Chinese models is being swallowed up in a tsunami of protest from U.S. tech influencers. See a recent op-ed in these pages by Mark Zuckerberg. Critics of a ban pitch their argument in terms of generalities like freedom and innovation. Between the lines, their fear is Washington seizing a role in deciding what AI capabilities will be allowed in public hands.

They fear U.S. leaders OpenAI and Anthropic effectively becoming authorized monopolists. For their own businesses, Mr. Zuckerberg and other tech executives want cheap AI. They also want to avoid being overmastered in their own domains by government-backed giants.

And yet, as with many AI debates, this one seems a case of being on a fast-moving train and arguing whether to get off at a stop we've already missed. Fear (or hope) of unassailable U.S. AI monopolies is obsolete, if it was ever justified. Better fixes are already reverberating, such as requiring domestic frontier labs to license "distillation" for U.S. builders of open-weight competitors.

Distillation is the practice by which Chinese models are suspected of free-riding on U.S. pioneers in their training and development, giving the Chinese a cost advantage in competition with U.S. pioneers. In essence, let a thousand flowers bloom and make sure more of them are U.S. flowers.

**Maybe it's time for U.S. intelligence agencies to tell us what they know about the Chinese models.**

There's a big but: With the passing of the monopoly moment also is passing the most obvious strategy for dealing with AI risks before they come out of the lab.

These risks include a Chernobyl-like or Chinese wet market accident—a mass disruption event in a form we might not even be able to visualize right now. The risks also include the more familiar ones of terrorists, criminals or rogue states getting their hands on advanced cyber or bioweapon capabilities.

Letters are circulating by AI leaders calling for a slowdown in the release of new models, and for a joint effort by the U.S. and China. Good luck, at least before we get a focusing mishap. In the meantime, how about putting more information before passengers of this runaway train? I asked Google's Gemini AI to draft a "statement of concern" for the Trump administration to help clarify the risks to private users of proliferating AI models.

Of the Chinese threat, it says, "While low costs and downloadable model weights may appear attractive to American enterprises seeking off-the-shelf software, free or low-cost foreign AI software comes with hidden national security costs, severe legal liabilities, and compromised data security."

U.S. national-security concerns aren't going to be a big factor for private users deciding whether to use Chinese AI models. Fears of data piracy and legal liability are rational dissuaders. We've seen as much—liability risk was almost certainly a factor in Anthropic's decision to withhold Mythos.

But an important piece is missing. What do our spy agencies know about the relationship between China's AI labs and China's Communist Party? That is, beyond the stipulation that applies to all Chinese companies that they cooperate on national goals when Beijing rings up.

If U.S. intelligence knows something that the private user base should know before trusting their prompts to a Chinese AI, now would be a good time to tell us.

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FIFA president Gianni Infantino abandoned his controversial plan to sell part of the World Cup's commercial rights.

# FIFA Scraps Its Plan to Sell Commercial Rights to Investors

After heavy criticism, soccer's governing body reversed course on its controversial FIFA Forward Enterprise program

By Joshua Robinson

FIFA President Gianni Infantino on Friday abandoned his controversial plan to sell part of the World Cup's commercial rights to private investors in the face of global outrage—barely 72 hours after the proposal was first leaked.

"Having listened carefully to all the views," Infantino said, "it has become clear that the project has created divisions of a nature that, regardless of the level of support, are no longer in the interest of the objective set out in the first place."

The plan had been designed to raise $4.2 billion of capital through the sale of roughly 20% of an entity called FIFA Forward Enterprise. And Thrive Capital, the firm founded by Joshua Kushner, was positioned to be a leading investor.

But even Infantino hadn't expected the reaction from the global soccer community to be so forceful. European countries announced that they would boycott all FIFA competitions, including the men's and women's World Cup. Federations in Asia, North America, and the Caribbean all expressed deep concerns. And, on Friday, even Infantino's closest allies began to turn against him.

**$4.2B**

Amount of capital FIFA's FFE program had been designed to raise

First came the resignation of Carlos Cordeiro, a former **Goldman Sachs** banker and president of U.S. Soccer who had been a key architect of this summer's World Cup and a conduit to the White House. Then, hours later, Infantino was castigated by FIFA's own No. 3 executive, chief operating officer Kevin Lamour.

"It is the project of one person," Lamour wrote in a statement released to the Associated Press. "Not only must this project not go ahead...but the time has now come for football political leaders to ask themselves the right questions and make the right decisions."

Lamour added that FIFA staff had been "deceived" by Infantino's plan for FIFA Forward Enterprise, which completely blindsided the organization's staff and 211 member associations when it leaked on Tuesday. "And if that means I lose my job then so be it," Lamour wrote. "I will understand and respect that decision. At least I'll sleep well tonight."

For Infantino, a 56-year-old Swiss lawyer, the torrent of outside criticism had been one thing. But the internal rebukes were particularly cutting—and posed the greatest risk. Infantino has always run FIFA with little regard for differing views inside the building. The man who once said he would like to be "the King of Football" has often conducted himself as the organization's sole executive, believing that any opponents simply misunderstood his purpose.

When he celebrated his 10th anniversary in charge, he threw at least three separate parties. And, as recently as a few weeks ago, he expected to be swept into office for a third full term next March with the support of at least 200 of FIFA's 211 member associations.

"To those behind their pens and papers, behind their screens spreading hate and false rumors," he wrote in an Instagram screed before anyone had even heard of FIFA Forward Enterprise, "I want to say that while you are sitting behind, we at FIFA are on the front lines organizing, working hard, and delivering the best show in the world."

The past week, however, has proven to be the most damaging of his tenure. Though he has scrapped FIFA Forward Enterprise, the legacy of the program will have been emboldening Infantino's sharpest critics.

"Moving forward, my intent is to bring all interested parties back together in the coming days and weeks," Infantino said, "in the spirit of shared interest in our game."

JIA HAOCHENG/ZUMA PRESS

## Inside the 48 Hours Where It All Went Wrong For FIFA's Boss

On the day that Gianni Infantino stood alongside President Trump to present the World Cup trophy to Spain, he was still one of the most untouchable figures in sports.

The FIFA president, who has led soccer's world governing body for a decade, had recently announced his intention to run for a third term. He had guided the World Cup to unprecedented revenue. And he knew that around 200 of the 211 associations that make up FIFA's membership already supported his bid for re-election.

That was less than two weeks ago.

On Friday night, Infantino was forced to backtrack on his controversial proposal to spin off the commercial rights of FIFA competitions into a private company and sell a roughly 20% stake to investors that would value the venture at $20 billion.

Support turned against him from federations around the world. And a key adviser, the former Goldman Sachs banker and U.S. Soccer president Carlos Cordeiro, resigned in protest on Friday morning.

Cordeiro had been at Infantino's side for the past five years and acted as a leading emissary to the White House.

"Let me be clear: I had no involvement in this proposal, and I oppose it unequivocally," Cordeiro said. "It is a bad deal for FIFA's member associations, a bad deal for football, and a bad deal for the long-term future of the game."

The groundswell against Infantino began on Thursday with the threat of a World Cup boycott from all 55 European countries under UEFA. Then Concacaf, which oversees the game in North America, Central America, and the Caribbean expressed deep concerns over the project, known as FIFA Forward Enterprise. And even after FIFA issued a clarification on Friday morning, insisting that "Nobody is selling football," the Asian Football Confederation joined the chorus.

"The fact that the situation has reached the point where the real possibility of a FIFA World Cup boycott has entered public discourse should concern everyone who cares about the future of our game," the AFC said.

Should those three confederations band together behind a rival candidate in FIFA's presidential election early next year, they would, in theory, have enough sway to oust Infantino under the organization's one-country, one-vote system. First, however, they would need to nominate an opposition candidate.

At the moment, Infantino is still due to run unopposed, just as he did in 2023.

Back then, at a vote held in Kigali, Rwanda, the support for him was so overwhelming that he was ushered back into office by acclaim, with a storming round of applause replacing a formal vote.

FIFA president Gianni Infantino in the Oval Office with President Trump, Secretary of State Marco Rubio and FIFA adviser Carlos Cordeiro.

"To all those that love me, and I know there are so many, and those that hate me, and I know there are a few, I love you all of course," Infantino, a Swiss lawyer and former UEFA executive, said at the time. "Today especially."

Already, the key plank of his campaign had been to increase payments to member associations all over the world for development projects. It was an approach perfected by the former FIFA president Sepp Blatter, who made it his mission over 17 years in charge to gain support outside the traditional soccer heartlands. By spending liberally to grow the game beyond Europe and South America, Blatter earned unflagging support from huge blocs of voters who viewed him not as a soccer official, but as a great humanitarian.

Anything Blatter spent, though, has been dwarfed by the funds Infantino promised this week. In a proposal first leaked on Tuesday, Infantino's FIFA Forward Enterprise pledged up to $40 million over the next four-year cycle to every national soccer federation on the planet, from defending men's and women's world champion Spain to 211th-ranked San Marino.

The revenue for this summer's World Cup went beyond FIFA's wildest dreams, generating $15 billion in revenue, up from an earlier projection of $11 billion. But the organization believed it could press even further.

FIFA had begun working with JPMorgan Chase early in the year to eventually invite outside investors to buy a stake in FIFA's commercial operations, including broadcast rights, ticket sales, marketing and licensing. (JPMorgan had also been involved in the doomed 2021 European Super League project. The bank ultimately issued an apology after the ESL collapsed in the face of fan protests.)

The plan this time was for FIFA Forward Enterprise to "upgrade monetization" and "enhance access to capital" for the organization, according to a 25-page pitch deck for the program obtained by The Wall Street Journal.

One way they planned to do that was by increasing the total number of FIFA competitions across all age groups and versions of the game to 450 over the next four years, up from around 200.

But in discussions on both sides of the Atlantic, soccer executives have wondered why any of this was even necessary from a highly successful nonprofit.

"If member associations believe additional investment is needed to develop the game, FIFA already has the financial capacity to provide that support from its existing resources," Cordeiro said.

This all ended on Friday night when FIFA issued a statement that said after listening to all views, the plan created divisions that "are no longer in the interest of the objective in the first place."

WIN MCNAMEE/GETTY IMAGES

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**A Shift at BP**
The oil giant looks to sell its U.K. North Sea business **B10**


# EXCHANGE

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**Inky Backfire**
Job interviews for tattoos? Startup is sorry for offer **B10**

**DJIA** 52485.03 ▲ 276.97 0.53% **NASDAQ** 25373.85 ▲ 1.0% **STOXX 600** 649.19 ▼ 0.1% **10-YR. TREAS.** ▼ 20/32, yield 4.743% **OIL** $84.67 ▲ $1.08 **GOLD** $4,049.10 ▼ $51.00 **EURO** $1.1529 **YEN** 157.38

ZÉ OTAVIO FOR WSJ

Leopold Aschenbrenner sold most of his firm's stock portfolio to Citadel, led by Ken Griffin, right

# As the Wedding Guests Were Arriving, His $45 Billion Fund Was Falling Apart

When the week began, Leopold Aschenbrenner was preparing for his wedding. The plan was for a multiday celebration in Carmel, a seaside town in Northern California, with the ceremony at a Tuscan-style villa and the send-off at a spa in the forest. There would also be a pre-wedding colloquium to discuss ideas in panels and breakout sessions. The couple's only request: no gifts.

The 24-year-old investor had amassed a fortune by promising he could see into the future, building a $45 billion investing powerhouse that primarily bought stocks in the AI trade. For months, the holdings of his hedge fund Situational Awareness shot up in value, as did Aschenbrenner's standing in the upper echelons of San Francisco's elite.

But by the time guests began to arrive, his fund was unraveling—and Wall Street was closing in.

Aschenbrenner borrowed too much money to make his AI bets, leaving him at risk as they faltered. With the value of his portfolio tumbling, he scrambled to raise cash to satisfy his lenders, appealing to some of the largest hedge funds and selling billions of dollars in holdings in a fire sale to Ken Griffin's Citadel.

At Situational Awareness, Leopold Aschenbrenner took on too much leverage and was scrambling for lifelines

**By Berber Jin, Gregory Zuckerman, Peter Rudegeair and Anissa Gardizy**

Aschenbrenner first made his way to California, after graduating from Columbia University in 2021 at age 19. An early convert to principles of the effective altruism movement, he began working for the philanthropic arm of Sam Bankman-Fried's crypto exchange FTX before joining OpenAI, where he worked in the niche field of AI superalignment, focused on ensuring the technology didn't go rogue and destroy humanity.

After getting fired for leaking what OpenAI considered sensitive information to Holden Karnofsky, the husband of an Anthropic executive, he published a 165-page essay, "Situational Awareness: The Decade Ahead," that foresaw the path of AI's development—and went viral.

The manifesto helped him raise money for his new hedge fund and vaulted him into prominence. He is marrying the chief of staff to Anthropic CEO Dario Amodei, and lives in a San Francisco mansion not far from OpenAI CEO Sam Altman. His investors include top AI executives at Meta, and Patrick and John Collison, the brothers who co-founded payments firm Stripe.

Aschenbrenner piled into concentrated positions in AI stocks, aided with debt and other tactics to supersize the bets. His early success turning a few hundred million dollars into $45 billion earned him a cult following in online circles, where his firm's routine

*Please turn to page B12*

# Big Law Is Never Going To Be The Same

Six lawyers left Wachtell, laying bare the existential debate roiling the industry

**By Erin Mulvaney**

At the Jean-Georges restaurant Nougatine near Central Park, Wachtell Co-Chair William Savitt received an offer in May that would turn the legal world on its head.

Savitt met with a Gibson Dunn partner, who dangled before him the once-unthinkable prospect of leaving Wachtell—the Wall Street firm where the corporate litigator had worked for two decades—in favor of a global juggernaut with some 2,200 lawyers and more than 20 offices.

"Wouldn't it be fun to practice law together? Here, the sky's the limit for you," said Orin Snyder, a litigator at Gibson Dunn who represents stars such as LeBron James, Bob Dylan and Lady Gaga.

**2,200**
The number of lawyers at the global juggernaut Gibson Dunn.

It wasn't just fun Snyder offered—or even a multimillion-dollar raise that would bring Savitt's compensation to at least $20 million a year. It was an offer of scale—power at the kind of gigantic law practice that is increasingly the winning ticket in the frenzied law firm talent wars, where rainmakers play high-stakes musical chairs, lured by annual pay packages that rival those of NBA stars.

The move punctured Wachtell's invulnerable image, and it cuts to the debate roiling the legal industry about what law firms will look like in the future.

When Savitt informed Wachtell leadership that he and five other partners would be leaving for Gibson Dunn, people familiar with the conversations said leaders made emotional pleas. Firm leaders say they were disappointed that a top partner negotiated a deal to leave without discussion.

Wachtell, which has about 80 partners, has lost some 16 partners since last year. Some of the departures went to work in-house or retired. The firm also hired two partners, one from Paul Weiss and the

*Please turn to page B2*

# Ford Made Boring Cars Popular. It Doesn't Want Them Anymore.

Customizable off-road SUVs, pickup trucks and sports cars are keeping the company profitable in a changing industry

**By Ryan Felton**

On a recent afternoon, Matt Simpson watched as a parade of brawny off-road SUVs, pickup trucks and high-powered sports cars stormed down a Nascar racetrack in mid-Michigan.

Each was the fruit of Simpson's customization division at Ford Motor. His team designs packages that let Bronco SUVs and F-150 owners trick out their rides with unique paint jobs and high-horsepower engine upgrades, a lucrative business these days.

Nowhere to be found: staid family sedans, cheap hatchbacks or frumpy minivans. Ford no longer makes any of those.

"This is the most passionate lineup that Ford has ever had," Simpson said.

It is a shift away from cars that Ford's chief executive, Jim Farley, has deemed "boring," and it has been great for the automaker's bottom line. Ford's U.S. sales in 2025 were the highest in six years, though lower than a decade earlier, when it had more types of cars to sell. That has had downsides for some Ford dealers, who now operate without cars like the Escape SUV and Focus sedan, which once generated significant sales.

"It's definitely a complete shift to everything that most dealers I know believe, which is, the more products you have, the more product you can sell," said Shane Collins, executive general manager at a Ford dealer in Louisville, Ky.

Ford, which helped pioneer the modern assembly line and still assembles most of its cars in the U.S., sees the shift as a business necessity—for itself and for dealers.

Overall sales of new cars have shrunk in recent years, with about a million buyers opting out—and car owners keeping their old vehicles for longer than ever—as average prices hover around $50,000. The market has shifted to favor large, expensive trucks and SUVs, and Ford has moved to capitalize on it. A decade ago, a Ford vehicle could cost less than $15,000, with several options in the $20,000 range. Now, the least-expensive new Ford begins a little under $30,000.

Tariffs and labor costs in particular complicate plans for building affordable cars in the country, and most budget-friendly cars in the U.S. today are built overseas and imported to the U.S. Crosstown rival General Motors, for example, sells two small SUVs priced below $25,000 that are assembled in South Korea.

Ford assembles more cars than any competitor in the U.S., a point it routinely champions. The company says it still wants to build small, affordable vehicles, and that it is planning to launch five new models priced below $40,000 by the end of the decade. They just have to look different from competitors, and be profitable.

"If I had to grade us in the years past, in the affordable space, we were average at both, and therefore it wasn't a sustainable winning proposition," Andrew Frick, president of Ford's electric- and gas-vehicle divisions, said in an interview.

BRITTANY GREESON FOR THE WALL STREET JOURNAL; GETTY IMAGES

Customers can purchase additional packages for such Ford vehicles as the Bronco, which is seen here at an auto show.

Still, Farley is clear about the long-term vision: making Ford the "Porsche of off-road" and getting the company out of the ordinary and into the "iconic vehicle" business.

"I hold that it is better to sell a large number of cars at a reasonably small margin of profit than to sell a few cars at a large margin of profit," Henry Ford wrote in 1927, in a full-page ad taken out in newspapers around the country.

Ford Motor ran that playbook for decades. Its lineup grew to in-

*Please turn to page B4*

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THE INTELLIGENT INVESTOR | JASON ZWEIG

# Buyer Beware: Private Funds Come With Big Tax Bills

## Financial advisers touting these hot funds aren't always telling you what you need to know

If you want to make the Internal Revenue Service happy, invest in a private fund.

You won't hear that from the Wall Street giants promoting investments in funds that shun publicly traded stocks and bonds. But it's something you need to know.

Financial advisers could push $2 trillion of clients' assets into alternative assets in the next five years, estimates Cerulli Associates, a consulting firm. These investments in private equity, private credit, real estate, venture capital, hedge funds and other nontraded assets might—just might—raise your returns. They almost certainly will raise your taxes.

John West, co-founder of Flatrock Wealth Partners, an investment-advisory firm in Newport Beach, Calif., recently asked a simple but radical question: How good are the returns on private assets after tax?

They're lousy.

West replicated the typical portfolio of a university endowment—some public stocks and bonds, plus loads of private assets—with funds that offer similar strategies for individual investors.

Over the 10 years that ended March 31, this simulated endowment portfolio would have returned 8.6% annually, pretax. After federal and state taxes, West estimates, an upper-income investor would have earned only 6.6% annually after tax.

A simple basket of three funds investing in public assets—60% in two stock-index exchange-traded funds, 40% in a municipal-bond fund—would have earned almost the identical return pretax. After tax, it would have returned 8% annually, crushing the endowment portfolio.

If you think about it, that makes perfect sense.

An index fund holding publicly traded stocks can generate almost no tax bills for as long as you own it, especially if it's a broadly diversified ETF.

On the other hand, private-credit funds specialize in high-interest loans; many hedge funds trade rapidly, generating short-term capital gains; private-equity funds produce big payouts when they sell portfolio companies. Other alternative strategies, including private real estate, also tend to produce titanic tax bills.

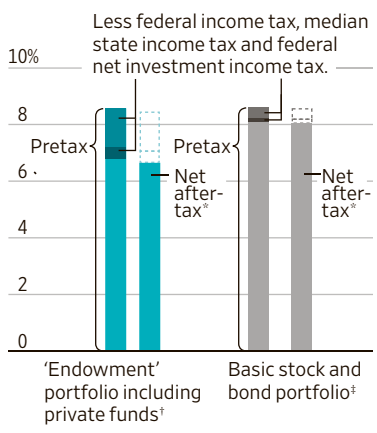
In general, ETFs miniaturize your taxes. Private funds supersize them.

To be fair, Wall Street is pushing hardest to get alternative funds into 401(k)s and other retirement accounts, where any taxes would be deferred.

But dozens of Wall Street Journal readers have told me that their financial advisers are prodding them to put these funds in taxable accounts. West says he has seen "precious little evidence" that advisers are using them predominantly in tax-sheltered accounts.

Ironically, a tax Congress imposed in 2025 on the investment income of the largest university endowments is already leading some of these big users of alternative funds to reconsider their stakes. The tax on endowments maxes out at 8%. Individual taxpayers can face federal tax rates at least four times as high.

**Ten-year estimated annualized returns**




*Difference driven partly by compounding
†Consists of approximately 50% alternative funds
‡60% stock, 40% municipal bonds
Source: Flatrock Wealth Partners

Of course, promoters of private funds will contend that West's results aren't fair. To represent the 10-year returns for each category of alternative assets, he used the largest fund offered to individuals that has a 10-year track record. Naturally, the best funds in some categories had higher returns.

But no one ever knows in advance which fund will end up on top—and individual investors aren't likely to have access to the best private performers anyway.

If you think West's assumption of 8.6% average annual returns for a portfolio full of private assets is too conservative, consider this. Over the 10 years that ended June 30, 2025, the median educational endowment returned 7.6% annualized, according to the National Association of College and University Business Officers. Among the biggest, with more than $5 billion in assets, the median return was 8.9% annualized.

These are some of the top holders of private funds, with less than half their total assets in publicly traded stocks and bonds.

In fact, West's study probably underestimates the impact of taxes on the returns of alternative assets, says Andrew Ang, a former managing director at BlackRock who now runs Tau Balance, a financial-planning software and research firm in New York.

In a recent study, Ang found that over the past century, federal income taxes knocked the 10.5% average annual return on U.S. stocks down to 7%. Even in recent decades, as tax rates fell, federal taxes consumed more than one-sixth of the total return on stocks.

Remember that with publicly traded stocks, dividend income is usually low and you can defer capital gains at will.

With private funds, however, if you're a typical upper-income individual investor, Ang thinks a "reasonable assumption" is that your after-tax rate of return would be roughly one-third lower than the reported pretax return.

Investing heavily in nontraded assets is often called "the Yale model," after David Swensen, the brilliant manager of the Yale University endowment, who died in 2021.

Over the 35 years that ended June 30, 2020, Swensen steered the Yale endowment to an average return of 13.1% annually. That vastly surpassed the 8.8% return on a conventional portfolio of 60% stocks and 40% taxable bonds.

If Yale had been treated like an individual investor, Ang's rule of thumb suggests that Swensen's epic return would have been slashed to about 8.7% annually after tax.

That's still much better than the less than 6% you would have earned on the 60/40 portfolio annually after tax. But it's a humbling reminder that taxes cut even the greatest investors down to size—and your financial adviser isn't David Swensen.

ALEX NABAUM FOR WSJ

# *Six Lawyers Moved Firms And Big Law Changed*

*Continued from page B1*

other from Sullivan & Cromwell.

The news set off a feeding frenzy across the top echelons of corporate law, with rival firms reaching out to Wachtell lawyers who now seem poachable, and partners at the elite firm eyeing the exits and calling competitors, according to people familiar with the matter.

To recruit a Wachtell co-chair "would have been absurd five years ago," said Barbara Becker, the chair of Gibson Dunn, which did just that.

With only one office, in New York, and roughly 300 lawyers, Wachtell remains the marquee place for companies to go for help with high-stakes mergers, hostile takeovers and activist shareholder battles. It has remained intentionally small over the decades and is the most profitable firm in the world, although its revenue is a fraction of its larger rivals.

In a statement, Wachtell said it is "performing at its highest level across every metric. The firm is having a record year, continues at the top of all the league tables and is as strong as it has ever been."

New York, the center of the legal universe, was for decades dominated by the kind of white-shoe law firms that were shaped by a gentlemanly code in which poaching was unheard of and partner pay largely fell in line with seniority. The firms maintained yearslong relationships with Wall Street banks.

Now, their kind is imperiled.

Some of the old-guard firms have already shuttered or been forced to merge, including Shearman & Sterling and Cadwalader, New York City's oldest firm at the time, which suffered a wave of departures before folding into a much larger rival.

Others, such as Davis Polk, have pursued rapid growth. The two firms at the top of the prestige pyramid, Cravath and Wachtell, are among the few that still hew to a more traditional model.

A new breed of mega-firms now dominates the industry. These firms, with roots in places like Chicago and Los Angeles, include Gibson Dunn, Kirkland & Ellis and Latham & Watkins. They provide one-stop services to banks, hedge funds and other large financial clients, raking in as much as $10 billion a year.

Their reach allows lawyers to provide corporations and private-equity firms with on-the-ground advice from dozens of offices. It gives the firms recruiting muscle; Kirkland has opened offices in Nashville, Tenn., and Salt Lake City to entice new partners. In an age where firms are grappling with artificial intelligence, the larger ones have been able to invest heavily in proprietary models.

Wachtell was founded in 1965 by Jewish outsiders to the world of white-shoe law. One of its original founders, Marty Lipton, retains a role on the eight-person executive committee at 95 years old. The firm built its prestige specializing in corporate dealwork and crises, famous for inventing the "poison pill" takeover defense, which makes it prohibitively costly for an unwanted bidder to acquire a large stake in a target company.

Until 2020, Wachtell lost only one partner to a rival in more than half a century. Last year, the floodgates started to open.

One of the biggest shifts that put Wachtell and its brethren on the back foot was a move away from the so-called lockstep model, in which partner pay is closely tied to seniority. Firms that abandoned that model were able to lure stars with ever-bigger pay packages, while the few holdouts didn't have that flexibility. There are now huge disparities in what firms pay their top earners: At some, they command as much as $35 million, whereas at others, the ceiling is $7 million.

Wachtell has had a strict lockstep system for decades but has made modifications in a few individual cases. Savitt and others saw it as insufficient in scope.

Savitt had been pushing for Wachtell to give more resources to the litigation team and clear the way for new leadership, according to people familiar with the matter. In addition to Lipton, the firm is still tightly controlled by a few leaders, including 79-year-old Ed Herlihy, one of the top dealmakers in the industry who drives a lot of the firm's business, according to people familiar with the matter. Some of the firm's largest transactions were driven by some of the youngest partners of the firm, according to sources within the firm.

When Savitt—who clerked for the late Supreme Court Justice Ruth Bader Ginsburg—first met with Gibson Dunn, he had just come off a win for OpenAI in a landmark trial against Elon Musk.

One partner who is a member of Savitt's group is staying at Wachtell, though he was also expected to make the move to Gibson. He was recently caught on camera kissing a junior lawyer in Central Park and has been placed on a leave of absence. The video went viral on TikTok. For the famously tight-lipped and proper firm, it was a stunning development in a week full of them.

Savitt and another partner, who are both leaving for Gibson, have been in a relationship, the New York Post first reported. The relationship doesn't violate Gibson Dunn's policies, according to people familiar with the firm. Sources within Wachtell said nothing about the relationship was disclosed to the firm.

As at Wachtell, it was once a shock to see a partner defect from Cravath for a rival. The firm set the gold-standard for the legal industry over its 207-year history. Other New York firms mimicked its system of recruiting top Ivy League law school graduates and training them for lifelong careers at the firm. It was once known for setting the standard for first-year associate salaries.

But there have been a string of departures from Cravath, too—at least 10 in the past year or so. Sources close to the firm leadership said it also counsels lawyers out more frequently than in the past and that some departures were either to in-house positions or those in the new nonequity tier.

Cravath has also seen its share of high-profile corporate deal work shrink. In the 1990s, it handled nearly one-quarter of deals by value. Last year, that share was 7%. By contrast, Kirkland and Latham together accounted for about 30% of all the deal value last year.

Faiza Saeed, Cravath's leader for the last decade, said it has been very intentional in staying small, and occupies a different niche in the market than some of its much larger rivals. "I don't think the success of Lands' End comes at the expense of Brunello Cucinelli," she said in an interview.

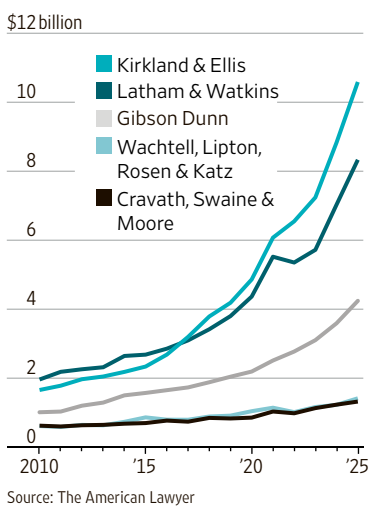
The firm has been involved in blockbuster deals this year, and Saeed said she fears that if it grew too big it would be hard to maintain the same quality of work.

"The last 15 years have seen many firms build around highly scaled, very commoditized work," Saeed said. "Cravath is 207 years old. Our view is, we're happy with the tier that we occupy."

The Wachtell lawyers who left and the Gibson Dunn partners who recruited them. Top row, left to right: Sarah Eddy, William Savitt, Randall Jackson. Bottom row, left to right: Orin Snyder, Barbara Backer, Bradley Wilson.

DAISY KORPICS/WSJ, BENJAMIN FANJOY/GETTY, MANUEL ORBEGOZO/REUTERS, DAVID PAUL MORRIS/BLOOMBERG NEWS, ROB JOHNSON/MEDIANEWS GROUP/BOSTON HERALD, GIBSON DUNN

**Gross revenue for select firms**




Source: The American Lawyer

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SCIENCE OF SUCCESS | BEN COHEN

# He Won the Biggest Prize in Math and He's Going to OpenAI

Jacob Tsimerman is a superstar mathematician. Now, he's working on what he considers the most important problem.

When he won the Fields Medal recently, Jacob Tsimerman accepted the most prestigious honor in math wearing a powder-blue tuxedo with satin lapels.

Then he made an announcement as striking as his tux.

After the ceremony, the four winning mathematicians were asked what they planned to do next. One said he would keep working on partial differential equations, one said he wanted to experiment with artificial intelligence and one said she had absolutely no idea. That left Tsimerman.

"I'll be starting a position at OpenAI," he said.

The decision was both shocking and not at all surprising. This is someone who recently wrote a paper categorizing the ways AI might kill everyone, applying a mathematician's instinct for order to the apocalypse. He stopped taking graduate students who weren't engaging with AI because he couldn't be sure about the future of math. He even shifted his focus away from number theory and complex algebraic geometry.

It turns out he's so worried about the dangers of AI that he's now pivoting to work on AI safety.

The star professor is taking a leave from the University of Toronto to become a researcher at OpenAI, but Tsimerman is not leaving math.

In fact, he wants to use the formal language and verification methods of his field to advance the study of AI—evaluating its progress, wrapping his mind around its decisions, making absolutely sure it won't lead to our extinction.

The companies on the AI frontier that are raiding universities for all kinds of talent can offer unimaginable salaries and stock options. But anyone who has ever met a philosopher or mathematician knows they are not primarily driven by money. Otherwise, they would not be philosophers and mathematicians.

One of the greatest mathematicians of his generation is working on AI safety because he believes it's the most important problem that he can help solve.

"In a few years, AI systems will be robustly superhuman at the act of doing mathematics," Tsimerman told me. "The social consequence of that, how we choose to react, what you feel about it—those are much harder questions."

For now, he's thinking about questions that he's uniquely qualified to answer.

How can we understand what AI systems are actually doing? How can we get them to get along with each other—and us? How can we mathematically prove they're not secretly plotting to destroy humanity?

Mathematicians have long used their tools to make sense of human behavior. Tsimerman will be using them to decipher the behavior of machines.

His path to this moment began long before he won the Nobel Prize of math. Tsimerman, 38, is the son of a computer scientist and high-school math teacher. He was born in Russia, moved to Israel as a boy and grew up in Canada, where he won two gold medals at the International Mathematical Olympiad in high school before enrolling in the University of Toronto early and graduating college in two years. He got a Ph.D. from Princeton, taught at Harvard and returned to his alma mater as its youngest math professor ever.

At this point in his biography, I could tell you about his groundbreaking work on the André-Oort conjecture and Griffiths's conjecture on the algebraicity of images of period maps and—well, let's just move on.

After all, he's now working on stuff you don't need a doctorate to understand.

For most of his career, Tsimerman was skeptical of AI. He always knew these systems would become more powerful.

"But for the longest time," he said, "I never really believed they would get this powerful." He found it especially hard to believe that AI could replicate things that make us human, like intuition and creativity. There were several moments over the past decade that forced him to rethink that assumption, and he changed his mind altogether in 2022, as soon as he tinkered with ChatGPT.

"If it can talk about chocolate and write a poem," he thought, "why can't it talk about math and write equations?"

That epiphany led him to an uncomfortable conclusion: "I became very convinced that they would become extremely powerful."

Before long, his fear was that AI would get way too powerful. By last summer, he'd published an academic paper imagining multiple dystopian scenarios. It was called "A Taxonomy of Omnicidal Futures Involving Artificial Intelligence"—*omnicidal*, as in everyone dies.

"Killed off as pests," he writes, "by intellectually and physically superior machines."

We're not at that stage in the AI revolution—yet. But we have reached the point where famous math conjectures that stood for decades seem to be falling every day.

This phase started when OpenAI revealed that an unreleased model had solved an 80-year-old problem. It was able to crack the unit-distance problem not just because it might be smarter than humans, but also because it can think coherently for much longer. When the company showed the model's reasoning, the chain of thought ran 125 pages. "By page 12," Tsimerman said, "I would've had a headache."

The next head-spinning result arrived when Anthropic's Fable model found a counterexample to the Jacobian conjecture, a famously treacherous problem that had defied mathematicians for 87 years. The discovery was reported by an Anthropic employee who has a Ph.D. in math and once won the Morgan Prize as America's top undergraduate researcher.

As it happens, his adviser was Jacob Tsimerman.

Despite these breakthroughs, Tsimerman still prefers to work through ideas like a human.

"I find the fun in pursuing math research in the classical way: by myself at a blackboard," he told me. "There's a lot of fun to be had with AI and math. It's not something that I've learned to have fun with yet."

(His idea of fun also includes something AI hasn't mastered: improv comedy.)

But chalk isn't his only tool for doing math. Tsimerman is perfectly willing to outsource the boring parts of his job to AI, which has juiced his productivity in recent years. For example, he no longer has to read through centuries of literature just to find a specific equation. "Math papers are very hard to read," he told me.

Fields medalists: they're just like us!

Unlike the rest of us, Tsimerman also uses AI to write math papers. He recently asked a model to help generalize one of his arguments, only for the model to spot an error in that argument. He fixed it. But AI found it.

"If one of my collaborators or students had done it, I would have been very impressed," he said. "This is a thing it could not do last year."

Unfortunately, AI models can do lots of things that once seemed impossible—like busting out of their sandboxes and breaking into companies.

The recent hacks involving OpenAI and Anthropic agents gone rogue sound like they're ripped straight from a paper about omnicide. They're also proof that pure mathematicians have a role to play in taming the mightiest and riskiest technology of our time.

"As AI systems grow more capable, ensuring they remain safe and behave as intended will require exceptional researchers and new ways of thinking," said OpenAI alignment researcher Kai Chen.

With his last Ph.D. students graduating, this was a natural moment for Tsimerman to make a move of his own. He isn't sure how long he'll be at OpenAI, when he'll teach classes again—or the next time he'll get to wear his tux.

"There are very few certainties or permanent decisions in my life right now," he said.

His ultimate hope is that AI does what we need, leaving us free to do what we like. I asked what he would like to do.

"I have no shortage of things," he said. "Math is one of them."

**Jacob Tsimerman**

- **Fields Medal:** He won the prize for math whizzes under 40.
- **That Tux:** He wore a powder-blue model with satin lapels for the Fields ceremony. His tailor also made his wedding tuxedo.
- **Funny Guy:** He teaches math—and improv comedy.
- **Work and Play:** He built a superhuman player of the board game Phutball. It took about 10,000 lines of code—and he didn't code one line.

LAURA PROCTOR FOR WSJ

**Jacob Tsimerman, top; geometric models, far left; an Einstein figurine in his office, left.**

MARKETS | SPENCER JAKAB

# Kevin Warsh's 'Bear Steepener' Is No Goldilocks Moment for Stocks

Rather, less talk, more action might be needed

Everyone knows that interest rates affect stock prices. It's complicated, though.

The Fed's decision Wednesday to keep overnight rates unchanged sounds like it would have been clearly bullish, but stocks sold off just after Chair Kevin Warsh's press conference. (They've since rebounded mightily).

Also following Warsh's Q&A, long-term Treasury yields hit a 19-year high. That extended what bond watchers call a "bear steepener."

As ominous as an investing term with the word "bear" in it sounds, it usually isn't for stocks. It's called that because bond investors can lose big in that environment. There are two takeaways when the Treasury yield curve's slope is positive and increasing, like it is now. Steepening is welcome when it's a reaction to rising growth expectations. Examples include 2003, 2009 and 2021, times when the economy was recovering from recessions.

That pattern this many years into an economic boom is reminiscent of 1966 and (gulp) 1987.

The 1960s episode was the start of a 16-year stretch when U.S. stocks went nowhere and lost much of their buying power to inflation. The 1987 version was the year of the worst single-day crash ever—a fluke event, but one prompted by sharply rising bond yields.

Inflation has now been above the Fed's target for more than five years, and there's little sign of job-market weakness. That seemed like a time for Warsh to back up his recent tough talk about price stability with action or at least a call to future action.

He didn't. Warsh said a more hands-off attitude, in which bond yields tapped on the economic brakes on their own, showed markets are "learning how to play ball" instead of relying on central bankers to officiate.

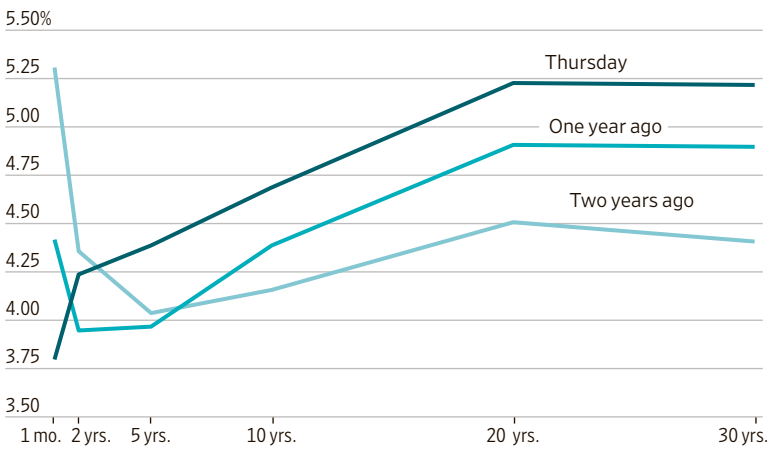
As the Journal's Greg Ip wrote, though, the central bank "isn't a neutral umpire, it is the most important player in the game." And, when it comes to inflation, an ounce of prevention is worth a pound of cure. Rising yields and uncertainty about central banks' commitment to stable prices, hallmarks of the 1970s, later required draconian rate hikes to repair.

Then there's a new worry—America's fiscal health. Debt held by the public is on track to blow past $40 trillion very soon. Buying the longest-term debt requires faith that the pile of IOUs will be honored.

Nobody expects the U.S. to actually default, but the release valve for high debt and deficits might be a future inflation surge. The real (inflation-adjusted) yield on the long bond just hit a multi-decade high, too.

An ump who can't see that, or doesn't want to see it, worries bond owners. Stock investors may not be far behind.

**U.S. Treasury yield curve**




Source: U.S. Treasury

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# The Hit Show That Pulls In Fans To the Spider-Man Web

A new film this week is expected to have the year's biggest opening. Marvel's strategy is keeping Spidey popular even as viewers tire of other superheroes.

By Ben Fritz

After 18 years and more than 50 superhero movies and television series, Marvel Studios has one of the biggest hits in its history with a preschool cartoon called "Spidey and His Amazing Friends."

The series has been watched—and re-watched—for about 1.25 billion hours since its 2021 launch, according to Nielsen, making it Marvel's most popular television series. It starts 3- and 4-year-olds on an escalator of Spider-Man content that leads them to TV shows and movies aimed at grade-schoolers, teenagers and adults.

"The dream for a fictional character is to be able to resonate across generations for generations," said Marvel Studios President Kevin Feige.

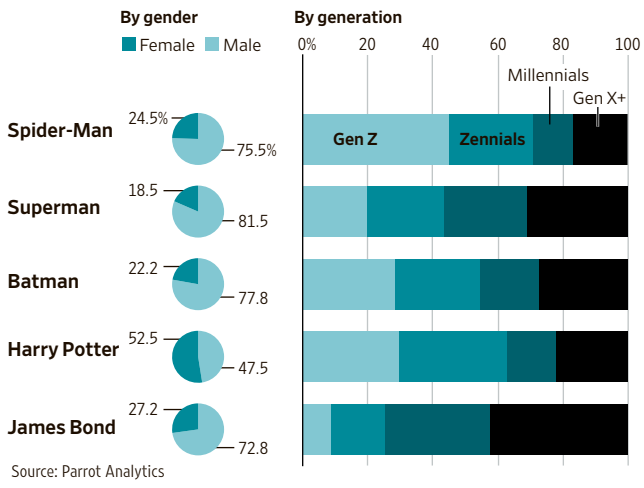
The strategy should help prime audiences for this week's new movie "Spider-Man: Brand New Day." Produced by Marvel and released by Sony Pictures, it is expected to have the year's biggest box office opening, based on advance sales and audience research.

Spider-Man's continued success stands out at a time when audiences appear tired of Hollywood's superhero deluge. Marvel has had a number of underperforming films in the past several years and has significantly pulled back on TV production. Rival DC Studios, owned by Warner Bros. Discovery, recently bombed at the box office with "Supergirl."

But Spider-Man has remained a profit machine for nearly a quarter-century. He stars in Marvel's top selling comic book, appears in theme parks and on cruise ships, and is parent company Disney's second most lucrative consumer-products brand, behind only Mickey Mouse.

Gen Z largely views superheroes as entertainment for older generations. But just over 70% of the audience for Spider-Man movies and TV series is between 17 and 33. The teenage superhero's fans skew younger than those of Batman, Superman and even Harry Potter, according to research firm Parrot Analytics, whose data doesn't include children. Three-quarters of Spider-Man's audience is male, slightly below Batman and Superman, but higher than Potter.

**Audience demographic for select movie franchises**




Source: Parrot Analytics

**The preschool cartoon 'Spidey and His Amazing Friends' is Marvel's most popular television series.**

Unlike the wealthy playboy Iron Man, the alien Superman or the Amazon princess Wonder Woman, Spider-Man was created in 1962 to be relatable for comic book readers. He's typically portrayed as a socially awkward young man named Peter Parker with romantic, financial and family problems. His trademark quips are a coping mechanism for his insecurity.

"The stories are always told from an emotional place," said Amy Pascal, who helped launch Spider-Man onto the big screen when she ran Sony Pictures and now produces his movies. "People think boys don't want to be moved, but they do."

When 2-year-old Arlo Medina doesn't want to get dressed or sit down for dinner, he sticks his hands out and pretends to shoot webs at his parents, just like the star of his favorite cartoon.

"He calls it 'Byber-Man,' and as soon as he wakes up, he asks if he can watch it," said Arlo's mother, Brianne, who lives in Pasadena, Calif.

Before "Spidey and his Amazing Friends" made its debut on the Disney Jr. cable network and the Disney+ streaming service in 2021, showrunner Harrison Wilcox and his collaborators tried to determine what aspects of the character worked for toddlers like Arlo.

They scrapped Peter Parker's haunting sense of responsibility for his uncle's death, his working-class hustle and the lonesomeness of his secret identity. They made him a young child who has turned into a dinosaur, become a pirate and, in the recently launched fifth season, met an adorable trouble-maker named Symbie who's inspired by the gruesome Spider-Man villain Venom.

Even with all the changes, the show's creators tried to keep what they see as the essence of their superhero. "Spidey always does the right thing, even if it's hard," Wilcox said. "That's why he translates so well to fans of every age."

Because every Disney Jr. program needs an educational element, Wilcox's team built "Amazing Friends" around teamwork. The young Spider-Man fights crime with super pals named Spin and Ghost-Spider.

The show's success has made all three characters inescapable for parents of young children who see them on T-shirts, lunchboxes and bounce houses.

Nik Ewing had an entertainer playing Ghost-Spider at his daughter Linnéa's fourth birthday party and waited in a long line so she could meet Spider-Man at Disneyland. He said he finds "Spidey" more challenging to watch than other shows Linnéa likes because it can feel like a toy commercial.

"With 'Bluey,' I've teared up if the right episode hit me at the right time," the Los Angeles dad said of the animated blue puppy. "I can confidently say 'Spidey' has never hit me emotionally."

Disney Jr. is now building a Marvel preschool universe of sorts. "Iron Man and his Awesome Friends" premiered last year and will be renamed "Avengers: Mightiest Friends" in 2027. The tiny superheroes, of course, appear on each others' shows.

"This has absolutely been the best example of introducing our characters, or, I should say, a certain side of our characters, to a young audience," said Feige.

The company's hope is that "Spidey" fans will graduate to its grade-school cartoon on Disney+, "Your Friendly Neighborhood Spider-Man," and then start watching the movies. While Sony keeps all the money the films earn, Marvel benefits from the boost they give merchandise sales.

After it licensed the Spider-Man film and live-action TV rights from then-struggling comic book publisher Marvel, Sony launched the modern superhero movie era with a blockbuster 2002 adaptation starring Tobey Maguire. Nine live-action films followed, the last four of which were made with Marvel Studios.

Sony's two animated "Spider-Verse" films, which feature an alternate version of the superhero named Miles Morales, were award-winning hits that attracted younger audiences. A third is coming next year.

Sony has also made Spider-Man villain spinoffs, including the hit "Venom" trilogy and flops like "Madame Web" and "Kraven the Hunter."

But the live-action films about Peter Parker remain most popular. At the end of 2021's "Spider-Man: No Way Home," Peter made everyone he knows forget who he is in order to protect them. His search to re-establish relationships in "Brand New Day" is intended to be relatable for young adults in the 2020s.

"Everybody longs for connections, even though the world we live in is separating us as fast as possible," said Pascal. "That felt like it worked perfectly with our story, because we put Peter in a situation where he was alone again."

DISNEY

# *Ford Wants 'Passionate' Cars Now*

**At left, the 2004 Ford SVT Focus, which has been discontinued. Above, Ford Mustangs with high-performance packages.**

*Continued from page B1*

clude compact cars, coupes, full-size sedans, station wagons, trucks and SUVs like the Bronco by the 1970s.

Until fairly recently, Ford still sold hundreds of thousands of everyperson vehicles each year like the Taurus and Focus—generic-looking, commoditized vehicles with direct competitors at companies like General Motors or Toyota, that often yielded low profit margins.

The last of that breed was the Escape, a crossover SUV that once started around $28,000 but ended production in 2025. As of July, only a few thousand unsold Escapes remained on dealer lots.

The former Escape factory is now filling up with a $30,000 all-electric pickup by Ford, designed to match the high-tech offerings from upstart Chinese competitors, which are gaining market share around the world.

The approach makes sense based on Ford's sales of late. The F-150 remains the top-selling model in the country, as it has been for decades. The compact Maverick truck, introduced in 2021, dominates an arena the industry once largely abandoned. The Bronco, revived a year earlier, snatched a sale crown from Jeep Wrangler, which previously had no direct competition. The Mustang is the Mustang.

But in 2025, Ford sold about 400,000 fewer cars than it did in a decade prior. Its total share of the market is down as customers have fewer choices. The cheapest entryway to Ford today is the Maverick or small Bronco Sport SUV, which start at roughly $28,000 and $32,000, respectively, and lack the mass appeal of their predecessors.

Frick said the company's overall strategic shift is necessary long term. Ford's generic vehicles like Focus and Escape required the automaker to spend more on incentives and promotions to keep up sales, he said. Sometimes Ford had to cut sticker prices altogether, which "hurts the overall viability of the product line."

In 2018, the company made the bold move to cut cars from its lineup entirely, save for the Mustang. By that point, the market had been in decline in the U.S. for years.

It also was an effort to boost then-sagging earnings and free up spending for what was seen at the time as the next big thing: electric and autonomous vehicles. That decision, pushed by then-CEO Jim Hackett, met resistance internally from engineers and designers at the company, according to people familiar with discussions at the time.

"We play only where we have real competitive advantage, or we can build one, and we're ruthless about where we put our money," Farley said in a call this week with analysts. "Every dollar must earn durable returns and drive profitable growth."

Ford executives hope the new $30,000 EV truck, and potential derivatives like a small SUV, will succeed at that, unlike its past money-losing electric models. They are designed to sell in large volumes. Yet industry observers say that's a tall order at a time when the larger market has soured on electric cars. "That's a really big bet on their part," said Dan Levy, a Barclays auto analyst.

Frick said he understands the reservations, because no company has "really broken out in the market to have a standout" EV outside of market leader Tesla. Designing a new EV assembly line from the ground up will allow Ford to marry a fresh concept for a vehicle with a solid cost structure, he said.

"Our expectation is to compete not with some of the, you know, average EV players, but with the Teslas of the world," he said.

The event this month at the Nascar track highlighted an opportunity Ford sees ahead. Roughly half of Ford's customers are personalizing their vehicle in some way—buying add-ons like cargo boxes mounted to SUVs, or special decals for a Mustang's exterior—far more than other automakers, said Simpson, the customization division head.

Historically, Ford would develop a vehicle and then figure out accessories for it, which caps how much the company could offer customers, Simpson said. Now, company designers are being engaged from the jump to figure out ways to provide personalization.

Dealers can sell the packages as add-ons for customers as they're obtaining financing for a new vehicle at the point of sale, making already lucrative sales of premium models even more profitable.

Some dealers say they're cautiously optimistic about the company's overall strategy. Phil Maguire, an upstate New York dealer with three Ford stores, said the carmaker has long offered a diversity of core products that appeal to most people. Maguire's dad worked for Ford in the 1960s and launched his first Ford dealership in 1977.

"Hopefully it will retain the ability to be that brand, and specialize in some more iconic pieces," Maguire said.

In the meantime, Ford owners who historically drove smaller vehicles have had to make tough decisions.

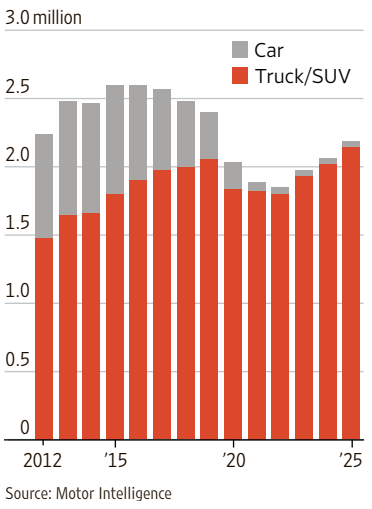
Ken Hall, 66, has owned Fords for decades, from the Thunderbird luxury car to the Taurus—and most recently an Edge SUV, which was discontinued in 2024.

After moving to downtown Detroit, Hall and his wife downsized to one vehicle, and in a bigger city, the Edge made for a perfect fit, he said. "I didn't feel like I was driving too small a car, but we certainly didn't want to go any smaller," he said.

Hall recently visited a dealership after hearing about incentives for Edge owners being offered to spur a trade-in. After testing it out, Hall said the couple "reluctantly" took on the Explorer.

On the first drive of his new, larger SUV, Hall said he paused and thought: "What did we just do? This seems pretty big."

**Ford deliveries by vehicle type**




Source: Motor Intelligence

WIECK; FORD

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# David Ellison's Risky Courtroom Strategy to Save His $81 Billion Warner Deal

After opting to go straight to trial, Ellison's team adds legal muscle, games out options such as getting states to drop out of the suit to get the Paramount-Warner merger done

By Jessica Toonkel and Joe Flint

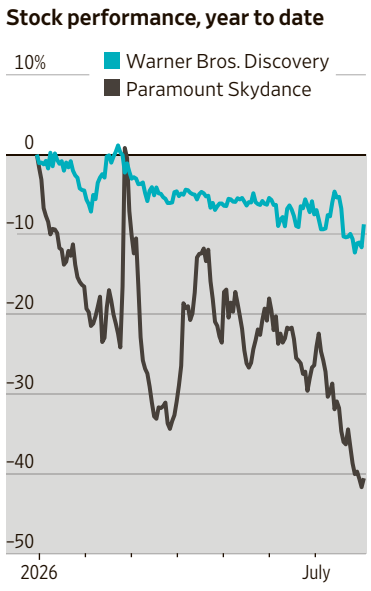
David Ellison spent nearly a year getting his $81 billion hostile bid for Warner Bros. Discovery inked, past the Justice Department and through regulatory inspection around the world.

After all that, a lawsuit from the California state attorney general to block the deal didn't seem like the biggest hurdle. But now, to clear that and potentially close the deal far later than he'd hoped, Ellison is making his riskiest and costliest bet yet: going to trial.

Paramount has agreed to pay $650 million per quarter in ticking fees at closing—about $7 million a day—if the deal isn't done by Sept. 30.

Ellison and his deputies are now back to the war-room mentality that has defined their quest to join Paramount, with CBS and its streaming services, to Warner, parent of HBO and CNN.

**Stock performance, year to date**




Source: FactSet

FROM TOP: JON BERKELEY FOR WSJ; LOREN ELLIOTT/GETTY IMAGES; MARTINA ALBERTAZZI/BLOOMBERG NEWS; NOAH BERGER/ASSOCIATED PRESS

He and chief legal officer Makan Delrahim, the former head of the Justice Department's antitrust division during President Trump's first term, talk several times a day, people familiar with the matter said. They are discussing potential concessions, political appeals or other chess moves, with Ellison heavily involved.

They aim to highlight the potential for a deal collapse to hurt employment in Hollywood, the people said. California Gov. Gavin Newsom has expressed concerns about the state's lawsuit and the ramifications of it for Hollywood if the deal is blocked, The Wall Street Journal reported Friday.

Newsom's office has encouraged Attorney General Rob Bonta's office, which has independent authority to file such suits, to find a resolution out of court.

The battle holds risks both for Hollywood's home state and the owner of a major studio fighting to gain scale in an industry suffering from cord-cutting and changing moviegoing habits.

Paramount shares have nearly halved since its pursuit of Warner heated up in December. The company has spent more than $160 million on legal and other fees related to its Warner bid in the six months ended in March, according to filings. If the deal falls through or is still unsettled by June 2027, it could pay Warner a $7 billion breakup fee or renegotiate the deadline.

Paramount executives have talked in internal meetings about their belief that the suit is politically motivated because Ellison's father is close to President Trump. Paramount has not made such an allegation in court.

Jon Leibowitz, who is serving as counsel for Paramount and is the former Federal Trade Commission chair under President Obama, said the case seems "like an effort to prevent the Ellisons from owning CNN," he said. CNN's reporting has been critical of Trump and he frequently complains about its coverage.

Bonta has said publicly that the states are not seeking a divestiture of CNN and that a sale of the news organization would not address the concerns raised in the coalition's suit.

In recent days, lawyers for both sides have gone back and forth to negotiate a start date for a trial that is expected to last weeks. Paramount is pushing for a Nov. 4 trial start date while the attorneys general's lawyers want it to start April 5, according to a court filing Friday. A judge is expected to make the decision in the coming days.

Among the strategies Paramount lawyers have discussed: potentially providing incentives to states in the coalition that get them to drop out of the suit and weaken the case, people familiar with those discussions said. In some states they could have leverage: Paramount has a production footprint in New Jersey, where the state has wooed major studios with tax credits, a headquarters in California and staff in New York. Paramount has reached out to some state AGs on the suit, the people said.

William Kovacic, a George Washington University law professor and former chairman of the Federal Trade Commission, said that strategy could weaken the opposition, but "the states that really matter here are the big antitrust players: California, New York and Colorado."

Beth Wilkinson, Paramount attorney

Makan Delrahim, Paramount's chief legal officer

Jeffrey Kessler, Paramount attorney

**$650 million**

Per quarter ticking fees Paramount has agreed to pay at closing if the deal isn't done by Sept. 30.

The team has brought on Beth Wilkinson, a prominent trial attorney, for a legal rematch. Wilkinson successfully beat the state's lawyer James Weingarten in Microsoft's successful defense of its $75 billion acquisition of Activision Blizzard. Wilkinson agreed that going straight to trial was the right thing to do, people familiar with Paramount's discussions said.

Paramount is also continuing to consider a potential move out of the state that's suing it, people familiar with those discussions said. Such a move wouldn't resolve the lawsuit, but it could represent a rebuke of a state that has seen a bevy of productions move to other states and countries with richer tax incentives and lower operating costs.

Before Ellison's Skydance merged with Paramount, he had discussed the idea of moving his production company to Tennessee, where he and his wife previously lived and where his father's company, Oracle, has a large presence. Ellison has told people close to him that while he does not want to move, relocating could help cover the cost of the ticking fee, a person with knowledge of his thinking said.

Ellison quickly lawyered up more after the first hearing.

Early on in the July 17 session in district court in Oakland, Calif., the judge interrupted Jeffrey Kessler, the top antitrust lawyer Paramount had hired, whose decades of trials included the seminal case against the NCAA that helped reshape college athletics.

Did the evidence Paramount put forward "just bolster the conclusion that there are serious questions here as to the legality of the merger," asked U.S. District Judge Araceli Martínez-Olguín.

Kessler answered that his opponents had to demonstrate that there was a probability the deal would lessen competition.

Later in the hearing, Kessler cited Apple's film "F1" as an example of a movie that was a box office success—and a sign of competition in the market. The film was made by Amazon, he said. Then he quickly corrected himself: It was made by Apple.

The states' lead attorney seized on the opportunity to undermine his point, countering that the movie had in fact been distributed for Apple in theaters by Warner Bros. That fact, he said, underscored the power of the five major players that the merger could strengthen.

The judge later wrote that the states' presentation "at least demonstrates that serious questions going to the merits remain, weighing in favor of preliminary injunctive relief."

Warner employees, meanwhile, are awaiting details of what the post-merger future will look like and what further cuts might be ahead. Chief Executive David Zaslav spent much of July on a European jaunt, which included meetings with top Warner international executives and side trips to Amsterdam, Wimbledon and Spain. Zaslav could make more than $800 million if the transaction goes through.

In recent weeks, Paramount has sought new candidates for the combined company's board. It approached former Activision CEO Bobby Kotick and Meta President and Vice Chair Dina Powell McCormick about becoming directors, according to people familiar with the matter.

In recent days, lawyers for both sides have gone back and forth to negotiate a start date for a trial that is expected to last weeks.

For now, some integration planning between the two companies is continuing, but at a slower pace.

Ellison has met with several Warner executives and asked detailed questions about their businesses. Prior to the lawsuit, Paramount was having internal discussions about potential joint ventures involving its linear networks and adding other companies' streaming services to its platform, people familiar with the discussions said. It has no plans to part ways with CNN, other people with knowledge of the matter said.

It is unclear if changes to the company's networks might be offered as concessions to the AGs.

The CEO has consulted with a number of people, internally and externally, about how he should organize its news division. The company is discussing whether to bring CNN and CBS together or operate them separately and Ellison has spent time with CNN head Mark Thompson, people familiar with the matter said.

CBS News head Bari Weiss, whom Ellison brought on when he bought her company Free Press last year, has been under fire for changes she is enacting at the news organization. Ellison still trusts Weiss, the people familiar with the matter said.

In a memo to staff after hitting pause last week, Ellison said the deal had passed muster in 65 jurisdictions globally, a sign that it was not anticompetitive. "Let me be clear: we remain highly confident that this transaction does not pose any legal issues, and we will complete it and bring these two companies together."

He signed off: "Let's go!"

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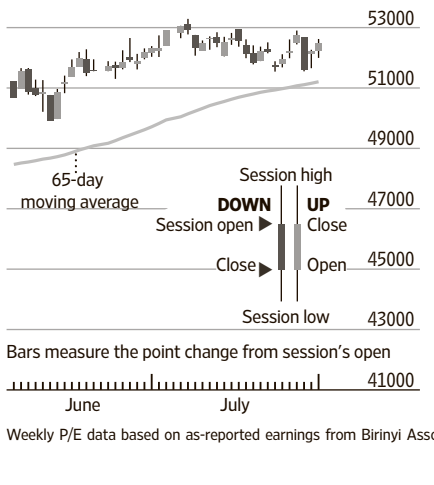
# MARKETS DIGEST

## Dow Jones Industrial Average

| | Last | Year ago |
|---|---|---|
| Trailing P/E ratio | 21.90 | 24.08 |
| P/E estimate * | 20.29 | 21.10 |
| Dividend yield | 1.49 | 1.67 |

**52485.03**
▲ 276.97
or 0.53%
All-time high
53055.91, 07/06/26

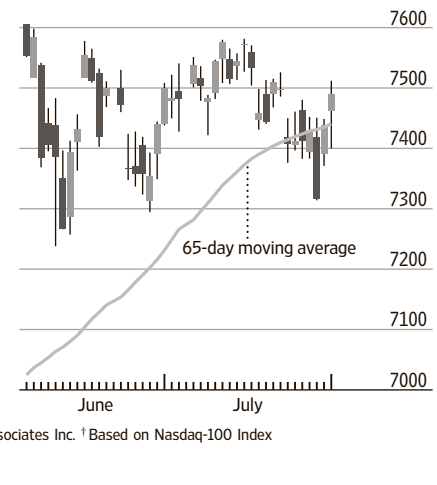
Current divisor
0.1682481652835




## S&P 500 Index

| | Last | Year ago |
|---|---|---|
| Trailing P/E ratio * | 25.19 | 24.81 |
| P/E estimate * | 21.01 | 23.82 |
| Dividend yield * | 1.10 | 1.21 |

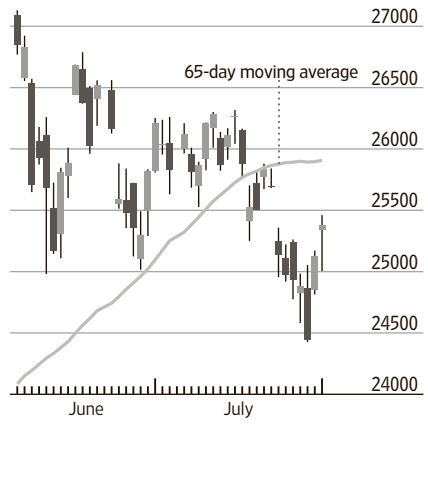
**7489.72**
▲ 52.09
or 0.70%
All-time high
7609.78, 06/02/26




## Nasdaq Composite Index

| | Last | Year ago |
|---|---|---|
| Trailing P/E ratio *† | 32.61 | 32.67 |
| P/E estimate *† | 24.79 | 29.95 |
| Dividend yield *† | 0.57 | 0.69 |

**25373.85**
▲ 251.68
or 1.00%
All-time high:
27093.90, 06/02/26




Weekly P/E data based on as-reported earnings from Birinyi Associates Inc. † Based on Nasdaq-100 Index

## Major U.S. Stock-Market Indexes

| | High | Low | Latest Close | Net chg | % chg | 52-Week High | 52-Week Low | 52-Week % chg | % chg YTD | % chg 3-yr. ann. |
|---|---|---|---|---|---|---|---|---|---|---|
| **Dow Jones** | | | | | | | | | | |
| Industrial Average | 52623.14 | 51996.32 | **52485.03** | 276.97 | **0.53** | 53055.91 | 43588.58 | **20.4** | 9.2 | **13.9** |
| Transportation Avg | 21187.85 | 20971.48 | **21039.30** | -49.93 | **-0.24** | 23933.14 | 15067.87 | **39.3** | 21.2 | **8.2** |
| Utility Average | 1133.68 | 1121.60 | **1121.64** | -11.34 | **-1.00** | 1190.23 | 1048.33 | **1.2** | 5.0 | **6.4** |
| Total Stock Market | 74324.07 | 73246.23 | **74106.82** | 423.20 | **0.57** | 75286.10 | 61627.03 | **20.3** | 9.8 | **17.3** |
| Barron's 400 | 1624.37 | 1605.62 | **1618.90** | 1.89 | **0.12** | 1635.15 | 1316.75 | **22.9** | 14.6 | **16.0** |
| **Nasdaq Stock Market** | | | | | | | | | | |
| Nasdaq Composite | 25460.86 | 25004.33 | **25373.85** | 251.68 | **1.00** | 27093.90 | 20650.13 | **22.9** | 9.2 | **20.9** |
| Nasdaq-100 | 28606.77 | 27954.24 | **28274.20** | 167.85 | **0.60** | 30660.60 | 22763.31 | **24.2** | 12.0 | **21.5** |
| **S&P** | | | | | | | | | | |
| 500 Index | 7512.04 | 7399.83 | **7489.72** | 52.09 | **0.70** | 7609.78 | 6238.01 | **20.1** | 9.4 | **17.7** |
| MidCap 400 | 3782.75 | 3731.22 | **3758.64** | -5.83 | **-0.15** | 3852.54 | 3104.60 | **21.1** | 13.7 | **11.3** |
| SmallCap 600 | 1776.94 | 1751.29 | **1768.56** | -1.62 | **-0.09** | 1804.34 | 1323.05 | **33.7** | 20.5 | **11.3** |
| **Other Indexes** | | | | | | | | | | |
| Russell 2000 | 2955.83 | 2902.47 | **2931.34** | -14.76 | **-0.50** | 3024.37 | 2166.78 | **35.3** | 18.1 | **13.5** |
| NYSE Composite | 24184.75 | 23930.53 | **24107.54** | -30.75 | **-0.13** | 24229.67 | 20267.69 | **18.9** | 9.6 | **13.6** |
| Value Line | 680.95 | 673.33 | **678.06** | -1.48 | **-0.22** | 685.30 | 590.50 | **13.8** | 7.9 | **4.4** |
| NYSE Arca Biotech | 8788.93 | 8463.84 | **8532.13** | -256.81 | **-2.92** | 8917.63 | 5640.67 | **49.6** | 19.3 | **17.0** |
| NYSE Arca Pharma | 1238.35 | 1211.72 | **1226.60** | -11.76 | **-0.95** | 1273.25 | 881.47 | **35.3** | 8.9 | **11.9** |
| KBW Bank | 188.17 | 186.01 | **187.03** | 0.25 | **0.13** | 191.84 | 139.52 | **33.9** | 13.9 | **27.9** |
| PHLX§ Gold/Silver | 313.17 | 302.04 | **307.90** | -10.05 | **-3.16** | 470.37 | 206.50 | **49.1** | -10.0 | **34.3** |
| PHLX§ Oil Service | 95.01 | 91.99 | **94.68** | 2.27 | **2.46** | 109.24 | 58.66 | **61.4** | 29.1 | **0.4** |
| PHLX§ Semiconductor | 11885.74 | 11231.79 | **11311.08** | 8.09 | **0.07** | 14634.72 | 5527.61 | **104.6** | 59.7 | **43.1** |
| Cboe Volatility | 18.70 | 15.82 | **15.99** | -1.10 | **-6.44** | 31.05 | 13.47 | **-21.5** | 7.0 | **5.5** |

§Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

## Trading Diary

### Volume, Advancers, Decliners

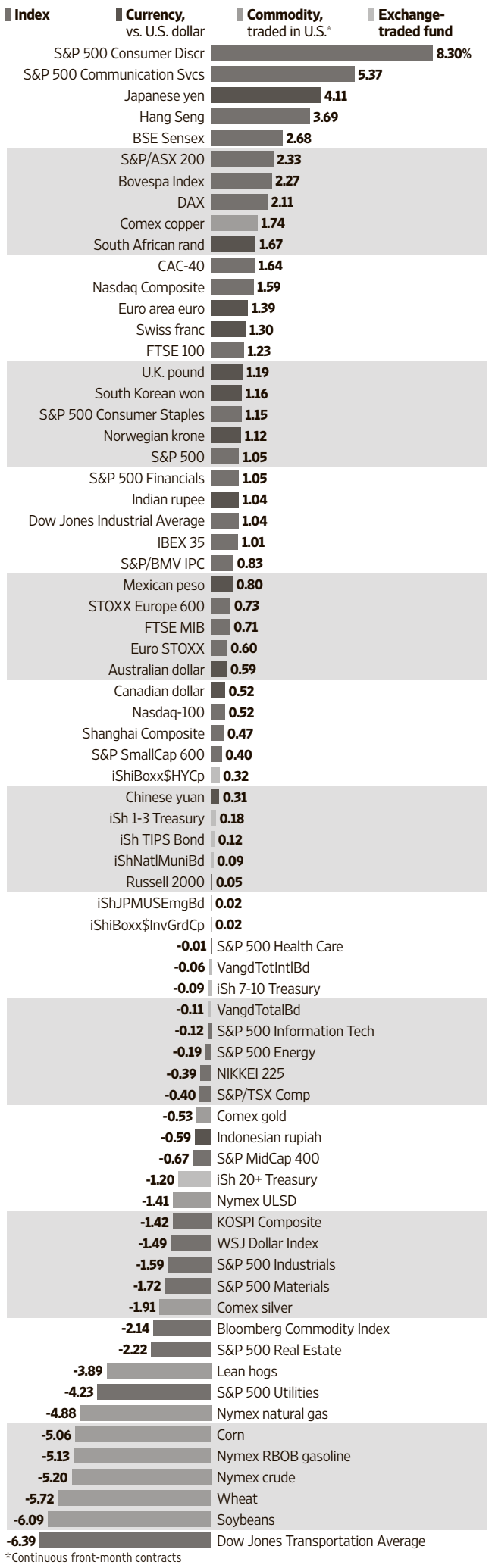
| | NYSE | NYSE Amer. |
|---|---|---|
| **Total volume*** | 1,440,121,347 | 21,254,039 |
| **Adv. volume*** | 640,165,366 | 4,006,577 |
| **Decl. volume*** | 779,186,652 | 16,876,553 |
| **Issues traded** | 2,834 | 297 |
| **Advances** | 1,302 | 129 |
| **Declines** | 1,450 | 154 |
| **Unchanged** | 82 | 14 |
| **New highs** | 47 | 3 |
| **New lows** | 65 | 12 |
| **Closing Arms†** | 1.07 | 1.14 |
| **Block trades*** | 4,460 | 164 |

| | Nasdaq | NYSE Arca |
|---|---|---|
| **Total volume*** | 11,942,508,537 | 414,958,293 |
| **Adv. volume*** | 7,000,549,657 | 169,389,496 |
| **Decl. volume*** | 4,889,615,161 | 219,328,460 |
| **Issues traded** | 5,018 | 2,662 |
| **Advances** | 2,200 | 1,232 |
| **Declines** | 2,635 | 1,384 |
| **Unchanged** | 183 | 46 |
| **New highs** | 93 | 57 |
| **New lows** | 228 | 139 |
| **Closing Arms†** | 0.58 | 1.14 |
| **Block trades*** | 107,419 | 1,851 |

*Primary market NYSE, NYSE American NYSE Arca only.
†(TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

## Track the Markets: Winners and Losers

A look at how selected global stock indexes, bond ETFs, currencies and commodities performed around the world for the week.




*Continuous front-month contracts

Sources: FactSet (indexes, bond ETFs, commodities), Tullett Prebon (currencies).

THE WALL STREET JOURNAL

### Methodology

Performance reflects price change (except DAX, Bovespa, and Tel Aviv 35, which reflect total returns). Commodities are represented by the continuous front-month futures contract. Bond exchange-traded fund performance may diverge from that of their underlying index. Bond categories are represented by the following ETFs: U.S. Bonds Total Market: Vanguard Total Bond Market; 1-3 Yr U.S. Treasurys: iShares 1-3 Year Treasury; U.S. 7-10 Yr Treasurys: iShares 7-10 Year Treasury; 20+ Yr U.S. Treasurys: iShares 20+ Year Treasury; Treasury Inflation-Protected Securities (TIPS): iShares TIPS; Investment Grade Corporate Bonds: iShares iBoxx $ Investment Grade Corporate; High Yield Corporate Bonds: iShares iBoxx $ High Yield Corporate; Municipal Bonds: iShares National Muni; International Bonds: Vanguard Total International; Emerging Market Bonds: iShares J.P. Morgan USD Emerging Markets.

## International Stock Indexes

| Region/Country | Index | Close | Net chg | Latest % chg | YTD % chg |
|---|---|---|---|---|---|
| **World** | **MSCI ACWI** | **1120.51** | 13.47 | **1.22** | 10.4 |
| | **MSCI ACWI ex-USA** | **473.49** | 10.17 | **2.19** | 12.5 |
| | **MSCI World** | **4847.88** | 26.10 | **0.54** | 9.4 |
| | **MSCI Emerging Markets** | **1665.89** | 102.88 | **6.58** | 18.6 |
| **Americas** | **MSCI AC Americas** | **2836.39** | 16.595 | **0.59** | 9.4 |
| Canada | **S&P/TSX Comp** | **35226.14** | -279.70 | **-0.79** | 11.1 |
| Latin Amer. | **MSCI EM Latin America** | **3090.14** | -3.52 | **-0.11** | 14.1 |
| Brazil | **Bovespa** | **177999.00** | 840.14 | **0.47** | 10.5 |
| Chile | **S&P IPSA** | **5549.31** | -6.96 | **-0.13** | 2.3 |
| Mexico | **S&P/BMV IPC** | **66936.99** | -353.41 | **-0.53** | 4.1 |
| **EMEA** | **STOXX Europe 600** | **649.19** | -0.76 | **-0.12** | 9.6 |
| Eurozone | **Euro STOXX** | **669.90** | 0.40 | **0.06** | 9.4 |
| Belgium | **Bel-20** | **5685.82** | 30.82 | **0.54** | 12.0 |
| Denmark | **OMX Copenhagen 20** | **1598.75** | -50.92 | **-3.09** | -0.6 |
| France | **CAC 40** | **8509.64** | 24.00 | **0.28** | 4.4 |
| Germany | **DAX** | **25629.24** | 17.21 | **0.07** | 4.7 |
| Israel | **Tel Aviv** | **4149.50** | 54.11 | **1.32** | 14.3 |
| Italy | **FTSE MIB** | **52172.53** | 68.15 | **0.13** | 16.1 |
| Netherlands | **AEX** | **1099.18** | -5.51 | **-0.50** | 15.5 |
| Norway | **Oslo Bors All-Share** | **2385.53** | 8.45 | **0.36** | 22.9 |
| South Africa | **FTSE/JSE All-Share** | **111493.10** | -379.60 | **-0.34** | -3.7 |
| Spain | **IBEX 35** | **19782.90** | 25.20 | **0.13** | 14.3 |
| Sweden | **OMX Stockholm** | **1125.61** | 2.53 | **0.23** | 7.6 |
| Switzerland | **Swiss Market** | **14346.14** | -46.35 | **-0.32** | 8.1 |
| Turkey | **BIST 100** | **13458.10** | 165.17 | **1.24** | 19.5 |
| U.K. | **FTSE 100** | **10868.05** | -29.22 | **-0.27** | 9.4 |
| U.K. | **FTSE 250** | **23975.02** | -104.12 | **-0.43** | 6.7 |
| **Asia-Pacific** | **MSCI AC Asia Pacific** | **269.81** | 13.03 | **5.08** | 18.5 |
| Australia | **S&P/ASX 200** | **8976.80** | 9.09 | **0.10** | 3.0 |
| China | **Shanghai Composite** | **3832.26** | 27.57 | **0.72** | -3.4 |
| Hong Kong | **Hang Seng** | **25884.43** | 25.55 | **0.10** | 1.0 |
| India | **BSE Sensex** | **78094.64** | 166.49 | **0.21** | -8.4 |
| Japan | **NIKKEI 225** | **64362.02** | 2494.59 | **4.03** | 27.9 |
| Singapore | **Straits Times** | **5628.50** | -45.08 | **-0.79** | 21.1 |
| South Korea | **KOSPI** | **6595.45** | 1001.89 | **17.91** | 56.5 |
| Taiwan | **TAIEX** | **43119.75** | 3186.45 | **7.98** | 48.9 |
| Thailand | **SET** | **1623.64** | 25.53 | **1.60** | 28.9 |

Sources: FactSet; Dow Jones Market Data

## Percentage Gainers...

| Company | Symbol | Latest Session Close | Net chg | % chg | 52-Week High | 52-Week Low | 52-Week % chg |
|---|---|---|---|---|---|---|---|
| Replimune Group | REPL | 11.20 | 5.79 | **107.02** | 12.50 | 1.50 | **59.3** |
| Tucows | TCX | 15.44 | 5.74 | **59.18** | 25.17 | 8.46 | **-10.4** |
| Apnimed | APMD | 25.00 | 9.00 | **56.25** | 29.15 | 16.00 | **...** |
| Eloxx Pharmaceuticals | ELOX | 17.43 | 4.13 | **31.05** | 18.42 | .00001 | **1584445.5** |
| IES Holdings | IESC | 744.54 | 173.00 | **30.27** | 804.00 | 309.51 | **110.9** |
| GrShr 2x Long AMZN Daily | AMZZ | 38.80 | 8.92 | **29.85** | 43.11 | 22.21 | **11.0** |
| Zenta Group | ZTG | 4.40 | 1.01 | **29.79** | 6.00 | 1.09 | **...** |
| SCYNEXIS | SCYX | 4.84 | 1.11 | **29.76** | 10.48 | 3.53 | **-12.3** |
| Direxion AMZN Bl 2X | AMZU | 41.72 | 9.56 | **29.73** | 47.14 | 24.54 | **0.9** |
| AXT | AXTI | 60.43 | 13.49 | **28.74** | 143.16 | 1.85 | **2805.3** |
| Shuttle Pharma | SHPH | 3.80 | 0.71 | **22.98** | 55.90 | 2.58 | **-89.6** |
| Forum Energy Technologies | FET | 62.67 | 11.24 | **21.85** | 65.43 | 18.12 | **218.0** |
| GrShr 2x Sh COIN Daily | CONI | 54.26 | 9.38 | **20.89** | 141.65 | 28.41 | **36.3** |
| Integer Holdings | ITGR | 121.21 | 20.35 | **20.18** | 123.50 | 62.00 | **11.7** |
| CNS Pharmaceuticals | CNSP | 5.82 | 0.97 | **19.94** | 10.59 | 1.90 | **-27.1** |

## Percentage Losers

| Company | Symbol | Latest Session Close | Net chg | % chg | 52-Week High | 52-Week Low | 52-Week % chg |
|---|---|---|---|---|---|---|---|
| JIADE | JDZG | 6.01 | -43.99 | **-87.98** | 1014.98 | 3.65 | **-99.1** |
| Karyopharm Therapeutics | KPTI | 1.92 | -5.09 | **-72.61** | 10.99 | 1.80 | **-49.6** |
| T3 Defense | DFNS | 27.68 | -57.30 | **-67.43** | 1948.75 | 3.70 | **-96.3** |
| BioAge Labs | BIOA | 9.04 | -15.81 | **-63.62** | 25.96 | 4.11 | **105.5** |
| Nuwellis | NUWE | 1.74 | -2.71 | **-60.90** | 378.35 | 1.61 | **-99.5** |
| Myriad Genetics | MYGN | 2.86 | -2.51 | **-46.74** | 8.59 | 2.81 | **-25.5** |
| Game Your Game | GYGY | 9.08 | -6.90 | **-43.18** | 32.66 | 7.50 | **...** |
| GrShr 2x Long RDDT Daily | RDTL | 12.12 | -8.77 | **-41.98** | 89.84 | 10.89 | **-62.0** |
| Monte Rosa Therapeutics | GLUE | 16.52 | -6.16 | **-27.16** | 25.77 | 4.12 | **233.7** |
| PN Smart Energy | PN | 17.27 | -6.40 | **-27.04** | 76.80 | 2.18 | **-75.9** |
| Roblox | RBLX | 35.60 | -13.07 | **-26.85** | 150.59 | 33.88 | **-74.2** |
| Cerus | CERS | 2.15 | -0.74 | **-25.61** | 3.47 | 1.15 | **68.0** |
| YieldMax RBLX Opt Incm | RBLY | 8.88 | -2.93 | **-24.81** | 58.42 | 8.43 | **-84.3** |
| Veracyte | VCYT | 46.32 | -13.46 | **-22.52** | 60.91 | 22.92 | **97.0** |
| Leverage 2X Lg COIN Dly | COIG | 3.90 | -1.09 | **-21.82** | 54.30 | 3.50 | **-92.5** |

## Most Active Stocks

| Company | Symbol | Volume (000) | % chg from 65-day avg | Latest Session Close | Latest Session % chg | 52-Week High | 52-Week Low |
|---|---|---|---|---|---|---|---|
| Wetour Robotics | WETO | **1,468,783** | 39985.0 | 0.09 | **200.00** | 2.51 | 0.03 |
| Li Bang International | LBGJ | **931,571** | 4759.4 | 0.02 | **3.89** | 177.00 | 0.02 |
| Mangoceuticals | MGRX | **508,400** | 20812.6 | 0.56 | **89.75** | 2.75 | 0.16 |
| Zhibao Technology | ZBAO | **377,050** | 2405.1 | 0.20 | **16.00** | 1.34 | 0.15 |
| Onfolio | ONFO | **296,572** | 3766.8 | 0.08 | **-6.18** | 2.48 | 0.06 |

*Common stocks priced at $2 a share or more with an average volume over 65 trading days of at least 5,000 shares †Has traded fewer than 65 days

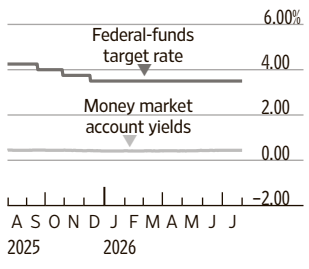
## Commodities

| | Close | Friday Net chg | Friday % Chg | 52-Week High | 52-Week Low | 52-Week % Chg | YTD % chg |
|---|---|---|---|---|---|---|---|
| **DJ Commodity** | **1364.19** | 0.39 | **0.03** | 1467.33 | 1037.49 | **30.21** | 20.65 |
| **FTSE/CC CRB Index** | **385.10** | 0.65 | **0.17** | 406.18 | 291.69 | **30.42** | 28.89 |
| **Crude oil,** $ per barrel | **84.67** | 1.08 | **1.29** | 112.95 | 55.27 | **25.75** | 47.46 |
| **Natural gas,** $/MMBtu | **2.747** | -0.011 | **-0.40** | 7.460 | 2.523 | **-10.90** | -25.47 |
| **Gold,** $ per troy oz. | **4049.10** | -51.00 | **-1.24** | 5318.40 | 3313.40 | **20.95** | -6.39 |

## Consumer Rates and Returns to Investor

### U.S. consumer rates

A consumer rate against its benchmark over the past year




### Selected rates

Money Market/Savings Accts

| | |
|---|---|
| **Bankrate.com avg†:** | **0.44%** |
| **BTG Pactual Bank** | **4.15%** |
| New York, NY | 212-652-7200 |
| **Quorum Federal Credit Union** | **4.15%** |
| Purchase, NY | 800-874-5544 |
| **Sallie Mae Bank** | **4.20%** |
| Salt Lake City, UT | 877-346-2756 |
| **TAB Bank** | **4.20%** |
| Ogden, UT | 800-355-3063 |
| **E*Trade** | **4.35%** |
| Purchase, NY | 800-387-2331 |

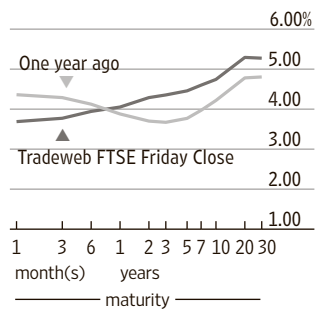
| Interest rate | Yield/Rate (%) Last (●) | Week ago | 52-Week Range (%) Low | High | 3-yr chg (pct pts) |
|---|---|---|---|---|---|
| **Federal-funds rate target** | 3.50-3.75 | 3.50-3.75 | 3.50 | 4.50 | **-1.75** |
| **Prime rate*** | **6.75** | 6.75 | 6.75 | 7.50 | **-1.75** |
| **SOFR** | **3.65** | 3.64 | 3.50 | 4.51 | **-1.65** |
| **Money market,** annual yield | **0.44** | 0.44 | 0.41 | 0.45 | **-0.12** |
| **Five-year CD,** annual yield | **1.73** | 1.73 | 1.67 | 1.73 | **-1.13** |
| **30-year mortgage,** fixed† | **6.75** | 6.71 | 6.11 | 6.81 | **-0.63** |
| **15-year mortgage,** fixed† | **6.17** | 6.10 | 5.55 | 6.18 | **-0.49** |
| **Jumbo mortgages,** $832,750-plus† | **6.84** | 6.71 | 6.34 | 6.87 | **-0.59** |
| **Five-year adj mortgage** (ARM)† | **6.02** | 5.95 | 5.66 | 6.26 | **-0.28** |
| **New-car loan,** 48-month | **6.96** | 6.97 | 6.85 | 7.21 | **-0.30** |

Bankrate.com rates based on survey of over 1,500 online banks. *Base rate posted by 70% of the nation's largest banks. † Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

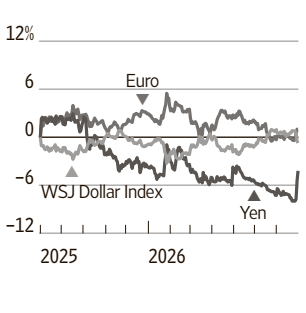
## Treasury yield curve

Yield to maturity of current bills, notes and bonds




## Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners




Sources: Tradeweb FTSE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

## Corporate Borrowing Rates and Yields

| Bond total return index | Close | Yield (%) Last | Yield (%) Week ago | 52-Week High | 52-Week Low | Total Return (%) 52-wk | Total Return (%) 3-yr |
|---|---|---|---|---|---|---|---|
| **U.S. Treasury,** Bloomberg | 2314.460 | **4.570** | 4.580 | 4.600 | 3.750 | **1.971** | 2.912 |
| **U.S. Treasury Long,** Bloomberg | 3096.090 | **5.260** | 5.180 | 5.260 | 4.520 | **-0.329** | -1.086 |
| **Aggregate,** Bloomberg | 2232.590 | **4.980** | 4.970 | 5.000 | 4.160 | **2.710** | 3.726 |
| **Fixed-Rate MBS,** Bloomberg | 2238.160 | **5.300** | 5.250 | 5.300 | 4.380 | **4.133** | 4.125 |
| **High Yield 100,** ICE BofA | 4165.284 | **n.a.** | 6.684 | 7.136 | 5.828 | **3.992** | 7.682 |
| **Muni Master,** ICE BofA | 618.989 | **3.682** | 3.663 | 3.682 | 3.037 | **4.452** | 2.767 |
| **EMBI Global,** J.P. Morgan | 1030.750 | **6.780** | 7.072 | 7.179 | 6.403 | **7.533** | 8.348 |

Sources: J.P. Morgan; Bloomberg Fixed Income Indices; ICE Data Services

## Currencies

U.S.-dollar foreign-exchange rates at 5 p.m. ET

| Country/currency | Fri in US$ | Fri per US$ | US$ vs. YTD chg (%) |
|---|---|---|---|
| **Americas** | | | |
| **Argentina** peso | .0007 | 1486.2253 | **2.4** |
| **Brazil** real | .1966 | 5.0876 | **-7.8** |
| **Canada** dollar | .7131 | 1.4023 | **2.2** |
| **Chile** peso | .001075 | 930.40 | **3.4** |
| **Colombia** peso | .000316 | 3166.44 | **-16.0** |
| **Ecuador** US dollar | 1 | 1 | **unch** |
| **Mexico** peso | .0577 | 17.3441 | **-3.7** |
| **Uruguay** peso | .02484 | 40.2572 | **3.1** |
| **Asia-Pacific** | | | |
| **Australia** dollar | .7021 | 1.4243 | **-4.9** |
| **China** yuan | .1481 | 6.7515 | **-3.5** |
| **Hong Kong** dollar | .1275 | 7.8422 | **0.8** |
| **India** rupee | .01048 | 95.403 | **6.2** |
| **Indonesia** rupiah | .0000555 | 18029 | **8.0** |
| **Japan** yen | .006354 | 157.38 | **0.5** |
| **Kazakhstan** tenge | .002109 | 474.22 | **-6.5** |
| **Macau** pataca | .1238 | 8.0804 | **0.7** |
| **Malaysia** ringgit | .2448 | 4.0852 | **0.7** |
| **New Zealand** dollar | .5879 | 1.7010 | **-2.1** |
| **Pakistan** rupee | .00360 | 277.867 | **-0.8** |
| **Philippines** peso | .0163 | 61.182 | **3.8** |
| **Singapore** dollar | .7797 | 1.2825 | **-0.2** |
| **South Korea** won | .0006930 | 1442.93 | **0.2** |
| **Sri Lanka** rupee | .0029773 | 335.87 | **8.4** |
| **Taiwan** dollar | .03095 | 32.311 | **3.1** |
| **Thailand** baht | .02992 | 33.420 | **6.1** |

| Country/currency | Fri in US$ | Fri per US$ | US$ vs. YTD chg (%) |
|---|---|---|---|
| **Vietnam** dong | .00003802 | 26301 | **...** |
| **Europe** | | | |
| **Czech Rep.** koruna | .04759 | 21.012 | **2.1** |
| **Denmark** krone | .1542 | 6.4837 | **2.0** |
| **Euro area** euro | 1.1529 | .8674 | **1.9** |
| **Hungary** forint | .003159 | 316.57 | **-3.3** |
| **Iceland** krona | .008121 | 123.14 | **-1.7** |
| **Norway** krone | .1056 | 9.4717 | **-6.1** |
| **Poland** zloty | .2675 | 3.7380 | **4.1** |
| **Sweden** krona | .1050 | 9.5261 | **3.4** |
| **Switzerland** franc | 1.2382 | .8076 | **1.9** |
| **Turkey** lira | .0210 | 47.5127 | **10.6** |
| **Ukraine** hryvnia | .0223 | 44.7500 | **5.7** |
| **UK** pound | 1.3482 | .7417 | **-0.04** |
| **Middle East/Africa** | | | |
| **Bahrain** dinar | 2.6520 | .3771 | **0.03** |
| **Egypt** pound | .0195 | 51.1559 | **7.2** |
| **Israel** shekel | .3270 | 3.0581 | **-4.0** |
| **Kuwait** dinar | 3.2348 | .3091 | **0.4** |
| **Oman** sul rial | 2.6007 | .3845 | **-0.1** |
| **Qatar** rial | .2734 | 3.657 | **0.1** |
| **Saudi Arabia** riyal | .2666 | 3.7516 | **0.02** |
| **South Africa** rand | .0604 | 16.5574 | **-0.04** |

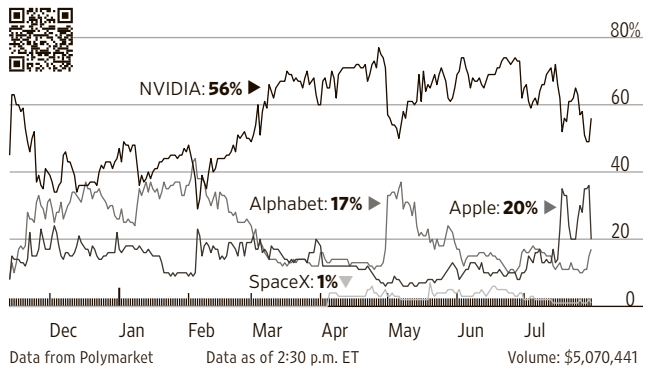
| | Close | Net Chg | % Chg | YTD % Chg |
|---|---|---|---|---|
| **WSJ Dollar Index** | 96.10 | -0.22 | -0.23 | **0.18** |

Sources: Tullett Prebon, Dow Jones Market Data

Polymarket | A Dow Jones partner

**Prediction Market:** Largest Company end of December 2026?

This market will resolve to the largest company in the world by market cap on Dec. 31, 2026, as of market close.




Data from Polymarket Data as of 2:30 p.m. ET Volume: $5,070,441

P2JW213000-5-B00700-1--------XA



# MARKET DATA

## Futures Contracts

### Metal & Petroleum Futures

| | Open | High | Low | Settle | Chg | Open interest |
|---|---|---|---|---|---|---|
| **Copper-High (CMX)**-25,000 lbs.; $ per lb. | | | | | | |
| Aug | 6.4515 | 6.5155 | 6.4095 | **6.4360** | -0.0085 | 4,948 |
| Sept | 6.3495 | 6.5450 | 6.4295 | **6.4655** | -0.0090 | 136,610 |
| **Gold (CMX)**-100 troy oz.; $ per troy oz. | | | | | | |
| Aug | 4060.70 | 4118.50 | 4022.40 | **4049.10** | -51.00 | 15,693 |
| Sept | 4076.00 | 4133.30 | 4032.30 | **4062.40** | -52.30 | 4,723 |
| Oct | 4094.30 | 4148.00 | 4046.20 | **4076.60** | -52.80 | 51,738 |
| Nov | 4101.20 | 4104.00 | 4101.20 | **4092.30** | -53.20 | 282 |
| Dec | 4126.70 | 4180.20 | 4076.40 | **4107.00** | -53.60 | 284,978 |
| Jan'27 | 4120.80 | 4125.30 | 4120.80 | **4124.70** | -53.90 | 254 |
| **Palladium (NYM)** - 50 troy oz.; $ per troy oz. | | | | | | |
| Aug | 1244.50 | 1244.50 ▲ | 1244.50 | **1275.60** | -26.60 | 26 |
| Sept | 1266.50 | 1322.00 | 1262.50 | **1281.40** | -26.80 | 16,571 |
| **Platinum (NYM)**-50 troy oz.; $ per troy oz. | | | | | | |
| Aug | 1612.10 | 1632.90 ▲ | 1612.10 | **1650.30** | -1.60 | 41 |
| Oct | 1661.80 | 1671.20 | 1625.90 | **1658.70** | -1.50 | 45,587 |
| **Silver (CMX)**-5,000 troy oz.; $ per troy oz. | | | | | | |
| Aug | 59.200 | 59.200 | 57.340 | **57.591** | -1.224 | 1,248 |
| Sept | 59.260 | 59.405 | 57.220 | **57.786** | -1.231 | 80,685 |
| **Crude Oil, Light Sweet (NYM)**-1,000 bbls.; $ per bbl. | | | | | | |
| Sept | 83.92 | 86.87 | 81.06 | **84.67** | 1.08 | 265,736 |
| Oct | 81.15 | 83.44 | 78.63 | **81.49** | 0.69 | 167,361 |
| Nov | 78.54 | 80.37 | 76.32 | **78.65** | 0.46 | 114,336 |
| Dec | 76.49 | 78.00 | 74.48 | **76.44** | 0.32 | 204,863 |
| June'27 | 71.22 | 72.24 | 70.05 | **71.14** | 0.13 | 137,548 |
| Dec | 69.11 | 69.86 | 68.09 | **68.98** | 0.08 | 149,044 |
| **NY Harbor ULSD (NYM)**-42,000 gal.; $ per gal. | | | | | | |
| Aug | 4.3601 | 4.3118 | 4.1047 | **4.1215** | -.0879 | 1,567 |
| Sept | 4.2330 | 4.2293 | 4.0561 | **4.0955** | -.0336 | 75,491 |
| **Gasoline-NY RBOB (NYM)**-42,000 gal.; $ per gal. | | | | | | |
| Aug | 3.2402 | 3.2626 | 3.1992 | **3.2216** | -.0631 | 2,660 |
| Sept | 3.1291 | 3.1735 | 3.0650 | **3.1142** | -.0171 | 106,204 |
| **Natural Gas (NYM)**-10,000 MMBtu.; $ per MMBtu. | | | | | | |
| Sept | 2.746 | 2.802 | 2.712 | **2.747** | -.011 | 371,988 |
| Oct | 2.785 | 2.840 | 2.756 | **2.787** | -.012 | 153,038 |
| Dec | 3.701 | 3.735 | 3.665 | **3.689** | -.017 | 139,882 |
| Jan'27 | 4.177 | 4.217 | 4.145 | **4.165** | -.018 | 144,573 |
| March | 2.992 | 3.017 | 2.953 | **2.975** | -.014 | 139,091 |
| April | 2.850 | 2.871 | 2.814 | **2.832** | -.013 | 115,922 |

### Agriculture Futures

| | Open | High | Low | Settle | Chg | Open interest |
|---|---|---|---|---|---|---|
| **Corn (CBT)**-5,000 bu.; cents per bu. | | | | | | |
| Sept | 445.50 | 447.00 | 438.00 | **440.75** | -5.00 | 531,259 |
| Dec | 468.50 | 470.00 | 461.00 | **464.00** | -4.50 | 789,646 |
| **Oats (CBT)**-5,000 bu.; cents per bu. | | | | | | |
| Sept | 314.25 | 316.25 | 308.50 | **310.25** | -1.75 | 804 |
| Dec | 332.25 | 336.00 | 328.00 | **330.25** | -1.50 | 2,246 |
| **Soybeans (CBT)**-5,000 bu.; cents per bu. | | | | | | |
| Aug | 1178.00 | 1181.00 | 1166.75 | **1172.00** | -5.25 | 2,229 |
| Nov | 1192.50 | 1196.00 | 1180.50 | **1187.50** | -1.25 | 500,932 |
| **Soybean Meal (CBT)**-100 tons; $ per ton. | | | | | | |
| Aug | 316.10 | 317.30 | 309.40 | **312.20** | -1.90 | 2,208 |
| Dec | 324.10 | 325.30 | 318.80 | **321.20** | -1.60 | 287,021 |
| **Soybean Oil (CBT)**-60,000 lbs.; cents per lb. | | | | | | |
| Aug | 68.39 | 68.39 | 66.56 | **67.12** | -1.23 | 2,771 |
| Dec | 67.46 | 67.46 | 66.17 | **66.90** | -.39 | 263,825 |
| **Rough Rice (CBT)**-2,000 cwt.; $ per cwt. | | | | | | |
| Sept | 13.79 | 13.99 | 13.73 | **13.96** | .20 | 11,479 |
| Nov | 14.20 | 14.41 | 14.20 | **14.40** | .20 | 1,319 |
| **Wheat (CBT)**-5,000 bu.; cents per bu. | | | | | | |
| Sept | 663.25 | 665.00 | 634.50 | **639.25** | -24.25 | 196,941 |
| Dec | 681.50 | 682.75 | 653.25 | **657.50** | -24.00 | 156,282 |
| **Wheat (KC)**-5,000 bu.; cents per bu. | | | | | | |
| Sept | 731.75 | 733.25 | 703.00 | **707.50** | -23.25 | 121,591 |
| Dec | 747.00 | 749.00 | 719.25 | **723.75** | -23.00 | 112,448 |
| **Cattle-Feeder (CME)**-50,000 lbs.; cents per lb. | | | | | | |
| Aug | 346.475 | 348.725 | 346.150 | **348.025** | 1.550 | 11,879 |
| Sept | 342.625 | 345.350 | 342.100 | **343.775** | 1.325 | 20,420 |
| **Cattle-Live (CME)**-40,000 lbs.; cents per lb. | | | | | | |
| Aug | 231.275 | 232.675 | 231.200 | **231.750** | .525 | 36,011 |
| Oct | 227.425 | 228.550 | 226.925 | **227.250** | -.200 | 118,171 |
| **Hogs-Lean (CME)**-40,000 lbs.; cents per lb. | | | | | | |
| Aug | 98.375 | 99.350 | 98.325 | **98.850** | .425 | 20,585 |
| Oct | 83.350 | 85.175 | 83.125 | **84.850** | 1.500 | 120,369 |
| **Lumber (CME)**-27,500 bd. ft., $ per 1,000 bd. ft. | | | | | | |
| Sept | 625.50 | 626.00 | 613.00 | **614.00** | -11.00 | 6,615 |
| Nov | 631.00 | 631.00 | 622.50 | **623.50** | -8.50 | 1,201 |
| **Milk (CME)**-200,000 lbs., cents per lb. | | | | | | |
| July | 15.65 | 15.68 | 15.65 | **15.67** | .03 | 5,515 |
| Sept | 17.08 | 17.58 | 16.98 | **17.53** | .59 | 6,471 |
| **Cocoa (ICE-US)**-10 metric tons; $ per ton. | | | | | | |
| Sept | 5,168 | 5,510 | 5,138 | **5,397** | 285 | 63,991 |
| Dec | 5,293 | 5,647 | 5,271 | **5,536** | 290 | 56,040 |
| **Coffee (ICE-US)**-37,500 lbs.; cents per lb. | | | | | | |
| Sept | 325.75 | 334.40 | 320.90 | **332.10** | 9.05 | 54,648 |
| Dec | 310.35 | 316.85 | 305.05 | **314.65** | 6.95 | 62,455 |
| **Sugar-World (ICE-US)**-112,000 lbs.; cents per lb. | | | | | | |
| Oct | 14.43 | 14.78 | 14.38 | **14.66** | .23 | 499,693 |
| March'27 | 15.35 | 15.65 | 15.28 | **15.53** | .20 | 300,368 |
| **Sugar-Domestic (ICE-US)**-112,000 lbs.; cents per lb. | | | | | | |
| Sept | 35.50 | 35.50 | 35.50 | **35.50** | ... | 190 |
| March'27 | 37.32 | 37.32 | 37.32 | **37.32** | ... | 1,475 |
| **Cotton (ICE-US)**-50,000 lbs.; cents per lb. | | | | | | |
| Oct | 79.75 | 80.49 | 79.60 | **80.50** | 1.09 | 142 |
| Dec | 80.65 | 81.95 | 80.62 | **81.79** | 1.12 | 194,350 |
| **Orange Juice (ICE-US)**-15,000 lbs.; cents per lb. | | | | | | |
| Sept | 146.40 | 155.75 | 143.20 | **154.95** | 8.95 | 7,658 |
| Nov | 150.05 | 159.50 | 147.45 | **159.15** | 9.15 | 1,477 |

### Interest Rate Futures

| | Open | High | Low | Settle | Chg | Open interest |
|---|---|---|---|---|---|---|
| **Ultra Treasury Bonds (CBT)** - $100,000; pts 32nds of 100% | | | | | | |
| Sept | 110-300 | 111-120 | 109-200 | **109-220** | -1-06.0 | 2,467,309 |
| Dec | 110-130 | 110-270 | 109-080 | **109-100** | -1-06.0 | 48 |
| **Treasury Bonds (CBT)**-$100,000; pts 32nds of 100% | | | | | | |
| Sept | 109-090 | 109-250 | 108-080 | **108-100** | -1-03.0 | 1,863,334 |
| Dec | 108-280 | 109-080 | 107-270 | **107-270** | -1-04.0 | 11,519 |
| **Treasury Notes (CBT)**-$100,000; pts 32nds of 100% | | | | | | |
| Sept | 108-155 | 108-215 | 107-315 | **108-000** | -17.5 | 5,285,478 |
| Dec | 108-080 | 108-120 | 107-225 | **107-230** | -18.0 | 24,330 |
| **5 Yr. Treasury Notes (CBT)**-$100,000; pts 32nds of 100% | | | | | | |
| Sept | 106-052 | 106-122 | 105-310 | **105-312** | -11.2 | 6,215,189 |
| Dec | 106-082 | 106-082 | 105-277 | **105-275** | -11.7 | 23,699 |
| **2 Yr. Treasury Notes (CBT)**-$200,000; pts 32nds of 100% | | | | | | |
| Sept | 102-267 | 102-296 | 102-247 | **102-257** | -3.7 | 4,352,035 |
| Dec | 102-217 | 102-259 | 102-219 | **102-220** | -4.1 | 6,897 |
| **30 Day Federal Funds (CBT)**-$5,000,000; 100 - daily avg. | | | | | | |
| July | 96.3725 | 96.3725 | 96.3700 | **96.3725** | .0025 | 306,130 |
| Aug | 96.3650 | 96.3700 | 96.3650 | **96.3700** | .0050 | 880,650 |
| **Three-Month SOFR (CME)**-$1,000,000; 100 - daily avg. | | | | | | |
| May | 96.3600 | 96.3600 | ▼ 96.3600 | **96.3600** | .0000 | 5,446 |
| Dec | 95.9550 | 95.9750 | ▼ 95.9100 | **95.9200** | -.0500 | 1,661,532 |

### Currency Futures

| | Open | High | Low | Settle | Chg | Open interest |
|---|---|---|---|---|---|---|
| **Japanese Yen (CME)**-¥12,500,000; $ per 100¥ | | | | | | |
| Aug | .6126 | .6361 | .6226 | **.6301** | ... | 1,685 |
| Sept | .6143 | .6383 | .6237 | **.6315** | ... | 427,918 |
| **Canadian Dollar (CME)**-CAD 100,000; $ per CAD | | | | | | |
| Aug | .7131 | .7150 | .7120 | **.7138** | -.0013 | 360 |
| Sept | .7134 | .7162 | .7126 | **.7147** | -.0013 | 355,660 |
| **British Pound (CME)**-£62,500; $ per £ | | | | | | |
| Aug | 1.3447 | 1.3489 | 1.3401 | **1.3482** | .0007 | 619 |
| Sept | 1.3467 | 1.3494 | 1.3400 | **1.3482** | .0007 | 252,062 |
| **Swiss Franc (CME)**-CHF 125,000; $ per CHF | | | | | | |
| Sept | 1.2480 | 1.2482 | 1.2359 | **1.2430** | -.0066 | 110,717 |
| Dec | 1.2583 | 1.2583 | 1.2489 | **1.2558** | -.0067 | 697 |
| **Australian Dollar (CME)**-AUD 100,000; $ per AUD | | | | | | |
| Aug | .6953 | .7039 | .7000 | **.7036** | .0008 | 642 |
| Sept | .6947 | .7039 | .6987 | **.7032** | .0008 | 237,152 |
| **Mexican Peso (CME)**-MXN 500,000; $ per MXN | | | | | | |
| Aug | .05760 | .05760 | .05760 | **.05767** | .00013 | 950 |
| Sept | .05710 | .05756 | .05729 | **.05754** | .00013 | 203,071 |
| **Euro (CME)**-€125,000; $ per € | | | | | | |
| Aug | 1.1527 | 1.1551 | 1.1465 | **1.1537** | -.0005 | 13,452 |
| Sept | 1.1486 | 1.1567 | 1.1475 | **1.1550** | -.0005 | 767,212 |

### Index Futures

| | Open | High | Low | Settle | Chg | Open interest |
|---|---|---|---|---|---|---|
| **Mini DJ Industrial Average (CBT)**-$5 x index | | | | | | |
| Sept | 52395 | 52772 | 52124 | **52635** | 255 | 78,431 |
| Dec | 52900 | 53158 | 52547 | **53042** | 256 | 275 |
| **Mini S&P 500 (CME)**-$50 x index | | | | | | |
| Sept | 7338.00 | 7541.00 | 7427.50 | **7519.25** | 46.75 | 2,025,408 |
| Dec | 7399.75 | 7607.25 | 7492.75 | **7585.25** | 48.00 | 32,455 |
| **Mini S&P Midcap 400 (CME)**-$100 x index | | | | | | |
| Sept | 3745.80 | 3803.00 | 3742.20 | **3772.90** | -6.70 | 36,598 |
| Dec | ... | ... | ... | **3803.40** | -7.00 | n.a. |
| **Mini Nasdaq 100 (CME)**-$20 x index | | | | | | |
| Sept | 27202.00 | 28725.75 | 28079.75 | **28404.25** | 166.50 | 283,728 |
| Dec | 27585.00 | 29001.25 | 28363.75 | **28688.50** | 170.50 | 3,020 |
| **Mini Russell 2000 (CME)**-$50 x index | | | | | | |
| Sept | 2954.00 | 2976.30 | 2905.30 | **2938.00** | -16.30 | 412,378 |
| Dec | 2986.50 | 2995.00 | 2930.00 | **2960.10** | -16.20 | 434 |
| **Mini Russell 1000 (CME)**-$50 x index | | | | | | |
| Sept | 4088.70 | 4103.00 | 4046.00 | **4097.70** | 27.10 | 5,804 |
| **U.S. Dollar Index (ICE-US)**-$1,000 x index | | | | | | |
| Sept | 99.94 | 100.33 | 99.58 | **99.79** | .07 | 52,171 |
| Dec | 99.73 | 100.01 | 99.41 | **99.50** | .07 | 300 |

Source: FactSet

## Exchange-Traded Portfolios | wsj.com/market-data/mutualfunds-etfs

Largest 100 exchange-traded funds, latest session.

**Friday, July 31, 2026**

| ETF | Symbol | Closing Price | Chg (%) | YTD (%) |
|---|---|---|---|---|
| AvantisUSSCValue | AVUV | 125.28 | 0.03 | 22.8 |
| CapGrpDivVal | CGDV | 49.54 | 0.63 | 13.5 |
| DimenUSCoreEq2 | DFAC | 44.49 | 0.36 | 12.4 |
| DirexSemiBl3 | SOXL | 114.72 | ... | 172.9 |
| InvscNasd100 | QQQM | 283.29 | 0.69 | 12.0 |
| InvscQQQI | QQQ | 687.99 | 0.65 | 12.0 |
| InvscS&P500EW | RSP | 215.01 | -0.17 | 12.2 |
| iShBitcoin | IBIT | 35.64 | -2.89 | -28.2 |
| iShBrdUSDHYCpBd | USHY | 36.78 | -0.03 | -1.6 |
| iShCoreDivGrowth | DGRO | 78.01 | -0.28 | 12.4 |
| iShCoreMSCIEAFE | IEFA | 98.25 | -0.64 | 9.8 |
| iShCoreMSCIEM | IEMG | 77.61 | 0.73 | 15.5 |
| iShMSCIIntlDev | IDEV | 90.49 | -0.72 | 9.7 |
| iShCoreMSCITotInt | IXUS | 94.54 | -0.15 | 11.7 |
| iShCoreS&P500 | IVV | 750.32 | 0.69 | 9.5 |
| iShCoreS&P MC | IJH | 75.27 | -0.11 | 14.0 |
| iShCoreS&P SC | IJR | 145.46 | -0.03 | 21.0 |
| iShCoreS&PTotUS | ITOT | 163.61 | 0.59 | 10.0 |
| iShCoreS&PUSGrw | IUSG | 184.83 | 1.37 | 10.1 |
| iShCoreUSAggBd | AGG | 97.37 | -0.26 | -2.5 |
| iShCoreUnivUSDBd | IUSB | 45.45 | -0.21 | -2.3 |
| iShEdgeMSCIUSAMom | MTUM | 299.59 | 0.27 | 19.7 |
| iShEdgeMSCIUSAQual | QUAL | 219.32 | 0.18 | 10.4 |
| iShGoldTr | IAU | 76.17 | -1.46 | -6.2 |
| iShiBoxx$IGCpBd | LQD | 106.25 | -0.15 | -3.6 |
| iShMBS | MBB | 92.92 | -0.40 | -2.4 |
| iShMSCIACWI | ACWI | 156.43 | 0.49 | 10.6 |
| iShMSCI EAFE | EFA | 105.58 | -0.62 | 9.9 |
| iSh MSCI EM | EEM | 64.09 | 0.79 | 17.1 |
| iShNatlMuniBd | MUB | 105.64 | -0.11 | -1.4 |
| iShRussMC | IWR | 109.69 | -0.28 | 13.9 |
| iShRuss1000 | IWB | 408.38 | 0.64 | 9.4 |
| iShRuss1000Grw | IWF | 118.32 | 0.76 | -0.0 |
| iShRuss1000Val | IWD | 251.82 | 0.44 | 19.7 |
| iShRuss2000 | IWM | 291.20 | -0.48 | 18.3 |
| iShS&P500Grw | IVW | 135.25 | 1.44 | 9.7 |
| iShS&P500Value | IVE | 231.71 | -0.19 | 9.3 |
| iShSemiconductor | SOXX | 504.89 | 0.07 | 67.7 |
| iSh7-10YTreaBd | IEF | 92.95 | -0.28 | -3.3 |
| iShSilver | SLV | 52.36 | -2.13 | -18.7 |
| iSh20+YTreaBd | TLT | 82.25 | -0.66 | -5.6 |
| iShUSEqFactRotat | DYNF | 67.45 | 0.79 | 10.9 |
| iShUSTreasuryBd | GOVT | 22.45 | -0.24 | -2.5 |
| iSh0-3MTreaBd | SGOV | 100.71 | 0.02 | 0.3 |
| JPMNasdEqPrem | JEPQ | 58.25 | 0.57 | 0.2 |
| JanusAAACLO | JAAA | 50.50 | 0.06 | -0.2 |
| JPMEqPremiumIncome | JEPI | 57.43 | 0.33 | 0.3 |
| JPM UltShIncm | JPST | 50.54 | ... | -0.1 |
| ProShUltPrQQQ | TQQQ | 64.62 | 2.09 | 22.6 |
| SPDRGoldMini | GLDM | 80.14 | -1.46 | -6.1 |
| SPDR Gold | GLD | 371.54 | -1.49 | -6.3 |
| SchwabIntEquity | SCHF | 27.43 | -0.58 | 14.1 |
| SchwabUS BrdMkt | SCHB | 28.85 | 0.59 | 10.0 |
| SchwabUS Div | SCHD | 33.47 | 0.18 | 22.0 |
| SchwabUS LC | SCHX | 29.44 | 0.65 | 9.4 |
| SchwabUS LC Grw | SCHG | 34.17 | 1.12 | 4.8 |
| SSEnergySel | XLE | 59.55 | 1.00 | 33.2 |
| SSFinlSel | XLF | 56.94 | -0.11 | 4.0 |
| SSHlthCrSel | XLV | 162.55 | -0.59 | 5.0 |
| SSIndlSel | XLI | 179.84 | 0.81 | 15.9 |
| SSSPDRBbg1-3M | BIL | 91.68 | 0.03 | 0.3 |
| SS SPDR DJIA | DIA | 524.32 | 0.54 | 9.1 |
| SSSPDRDevxUS | SPDW | 50.06 | -0.71 | 12.7 |
| SSSPDRS&P500 | SPYM | 87.90 | 0.68 | 9.6 |
| SSSPDRS&P500G | SPYG | 117.14 | 1.45 | 9.8 |
| SSSPDRS&P500V | SPYV | 62.06 | -0.16 | 9.2 |
| SSIMSPDRS&P500 | SPY | 747.03 | 0.72 | 9.5 |
| SSSPDRS&P400 | MDY | 686.32 | -0.13 | 13.8 |
| SSTechSel | XLK | 175.35 | -0.22 | 21.8 |
| VanEckSemicon | SMH | 540.53 | 0.30 | 50.1 |
| VangdExtMkt | VXF | 236.16 | -0.30 | 12.9 |
| VangdDivApp | VIG | 239.17 | -0.37 | 8.8 |
| VangdFTSEAWxUS | VEU | 82.85 | -0.22 | 12.6 |
| VangdFTSEDevMk | VEA | 70.62 | -0.66 | 13.0 |
| VangdFTSE EM | VWO | 58.75 | 0.96 | 9.3 |
| VangdFTSE Europe | VGK | 90.59 | -0.44 | 8.3 |
| VangdHiDiv | VYM | 161.96 | ... | 12.8 |
| VangdInfoTech | VGT | 113.15 | -0.38 | 20.1 |
| VangdIntermBd | BIV | 75.54 | -0.20 | -3.0 |
| VangdIntrCorpBd | VCIT | 81.26 | -0.15 | -3.0 |
| VangdIntermTrea | VGIT | 58.35 | -0.17 | -2.6 |
| VangdMstarGrw | VUG | 85.20 | 1.10 | 4.8 |
| VangdMorningstarLC | VV | 343.60 | 0.68 | 9.1 |
| VangdMstarMegaCap | MGK | 86.33 | 1.11 | 4.6 |
| VangdMorningstarMC | VO | 80.95 | -0.05 | 11.6 |
| VangdMorningstarSC | VB | 295.14 | -0.22 | 14.4 |
| VangdMstarSCValue | VBR | 244.63 | -0.20 | 15.5 |
| VangdMstarTotalStk | VTI | 368.21 | 0.53 | 9.8 |
| VangdMstarValue | VTV | 219.95 | -0.27 | 15.2 |
| VangdRealEst | VNQ | 98.95 | -0.54 | 11.8 |
| VangdRuss1000Grw | VONG | 121.91 | 0.84 | 0.1 |
| VangdS&P500ETF | VOO | 686.65 | 0.71 | 9.5 |
| VangdST Bond | BSV | 77.58 | -0.08 | -1.6 |
| VangdSTCpBd | VCSH | 78.62 | -0.06 | -1.4 |
| VangdShortTrea | VGSH | 58.10 | -0.05 | -1.1 |
| VangdTaxExemptBd | VTEB | 49.60 | -0.10 | -1.4 |
| VangdTotalBd | BND | 72.23 | -0.26 | -2.5 |
| VangdTotIntlBd | BNDX | 47.77 | -0.23 | -1.1 |
| VangdTotIntlStk | VXUS | 84.59 | -0.21 | 12.1 |
| VangdTotWrldStk | VT | 155.86 | 0.26 | 10.5 |

## Bonds | wsj.com/market-data/bonds/benchmarks

## Global Government Bonds: Mapping Yields

Yields and spreads over or under U.S. Treasurys on benchmark two-year and 10-year government bonds in selected other countries; arrows indicate whether the yield rose(▲) or fell (▼) in the latest session

| Coupon (%) | Country/ Maturity, in years | Latest(●) | Yield (%) 0 1 2 3 4 5 6 | Previous | Month ago | Year ago | Spread Under/Over U.S. Treasurys, in basis points Latest | Prev | Year ago |
|---|---|---|---|---|---|---|---|---|---|
| 4.250 | **U.S.** 2 | **4.289** ▲ | | 4.227 | 4.138 | 3.952 | | | |
| 4.375 | 10 | **4.743** ▲ | | 4.662 | 4.420 | 4.360 | | | |
| 2.250 | **Australia** 2 | **4.524** ▼ | | 4.579 | 4.433 | 3.358 | **22.5** | 32.1 | **-60.5** |
| 4.250 | 10 | **4.938** ▼ | | 5.007 | 4.730 | 4.273 | **19.0** | 33.0 | **-10.2** |
| 2.400 | **France** 2 | **3.002** ▲ | | 2.954 | 2.698 | 2.211 | **-129.** | -130.4 | **-175.2** |
| 3.700 | 10 | **4.001** ▲ | | 3.971 | 3.547 | 3.351 | **-74.7** | -70.6 | **-102.4** |
| 2.700 | **Germany** 2 | **2.831** ▲ | | 2.788 | 2.540 | 1.971 | **-146.8** | -147.0 | **-199.2** |
| 3.000 | 10 | **3.229** ▲ | | 3.182 | 2.864 | 2.696 | **-151.9** | -149.6 | **-167.9** |
| 2.650 | **Italy** 2 | **3.015** ▲ | | 2.978 | 2.707 | 2.168 | **-128.** | -128.0 | **-179.5** |
| 3.800 | 10 | **4.020** ▲ | | 3.982 | 3.587 | 3.507 | **-72.8** | -69.5 | **-86.8** |
| 1.500 | **Japan** 2 | **1.508** ▲ | | 1.481 | 1.362 | 0.827 | **-279.1** | -277.7 | **-313.6** |
| 2.700 | 10 | **2.799** ▼ | | 2.804 | 2.687 | 1.556 | **-194.9** | -187.3 | **-281.9** |
| 2.400 | **Spain** 2 | **2.880** ▲ | | 2.835 | 2.600 | 2.092 | **-141.9** | -142.4 | **-187.2** |
| 3.400 | 10 | **3.642** ▲ | | 3.625 | 3.298 | 3.210 | **-110** | -105.2 | **-116.6** |
| 4.375 | **U.K.** 2 | **4.421** ▲ | | 4.340 | 4.176 | 3.886 | **12.2** | 8.2 | **-7.7** |
| 1.125 | 10 | **5.062** ▲ | | 4.989 | 4.769 | 4.573 | **31.3** | 31.2 | **19.8** |

Source: Tullett Prebon, Tradeweb FTSE U.S. Treasury Close

## Corporate Debt

Prices of firms' bonds reflect factors including investors' economic, sectoral and company-specific expectations

### Investment-grade spreads that tightened the most...

| Issuer | Symbol | Coupon (%) | Yield (%) | Maturity | Spread*, in basis points Current | One-day change | Last week |
|---|---|---|---|---|---|---|---|
| Citigroup | C | 4.750 | 6.29 | May 18, '46 | 100 | -9 | 111 |
| Microsoft | MSFT | 5.200 | 5.26 | June 1, '39 | 55 | -7 | 59 |
| Northwestern Mutual Global Funding* | ... | 4.740 | 4.94 | June 30, '31 | 52 | -7 | 50 |
| Oracle | ORCL | 5.375 | 7.28 | July 15, '40 | 257 | -7 | 284 |
| BNP Paribas | ... | 4.400 | 4.83 | Aug. 14, '28 | 56 | -6 | 60 |
| Comcast | CMCSA | 4.250 | 5.42 | Jan. 15, '33 | 72 | -6 | 75 |
| John Deere Capital | ... | 4.125 | 4.53 | Jan. 18, '29 | 17 | -6 | n.a. |
| National Australia Bank | ... | 4.434 | 4.56 | June 4, '29 | 24 | -6 | 30 |

### ...And spreads that widened the most

| Issuer | Symbol | Coupon (%) | Yield (%) | Maturity | Current | One-day change | Last week |
|---|---|---|---|---|---|---|---|
| Liberty Mutual | ... | 7.800 | 6.80 | March 15, '37 | 205 | 28 | n.a. |
| Southern California Edison | ... | 5.950 | 6.14 | Feb. 1, '38 | 143 | 8 | n.a. |
| Duke Energy Indiana | ... | 6.350 | 5.70 | Aug. 15, '38 | 99 | 6 | 84 |
| Verizon Communications | VZ | 4.812 | 6.05 | March 15, '39 | 133 | 6 | n.a. |
| American Honda Finance | ... | 4.850 | 5.24 | Oct. 23, '31 | 79 | 5 | n.a. |
| Mercedes-Benz Finance North America | ... | 5.100 | 5.03 | Nov. 15, '29 | 68 | 4 | n.a. |
| UnitedHealth | UNH | 3.875 | 4.61 | Dec. 15, '28 | 33 | 4 | 31 |
| E.ON International Finance | ... | 6.650 | 5.74 | April 30, '38 | 103 | 3 | n.a. |

### High-yield issues with the biggest price increases...

| Issuer | Symbol | Coupon (%) | Yield (%) | Maturity | Bond Price as % of face value Current | One-day change | Last week |
|---|---|---|---|---|---|---|---|
| Bombardier | ... | 7.450 | 5.89 | May 1, '34 | 109.571 | 0.32 | 109.240 |
| Rakuten | ... | 9.750 | 6.24 | April 15, '29 | 108.577 | 0.15 | 108.298 |
| Bausch Health | ... | 11.000 | 9.74 | Sept. 30, '28 | 102.371 | 0.12 | 101.875 |
| Verde Purchaser | ... | 10.500 | 9.20 | Nov. 30, '30 | 102.645 | 0.04 | 101.962 |
| Telecom Italia Capital | ... | 7.721 | 6.28 | June 4, '38 | 111.906 | 0.02 | 113.337 |

### ...And with the biggest price decreases

| Issuer | Symbol | Coupon (%) | Yield (%) | Maturity | Current | One-day change | Last week |
|---|---|---|---|---|---|---|---|
| Hughes Satellite Systems | ... | 5.250 | n.a. | Aug. 1, '26 | 73.500 | -0.60 | n.a. |
| Paramount Global | ... | 6.875 | 8.19 | April 30, '36 | 91.250 | -0.29 | 91.500 |
| Sealed Air | ... | 6.875 | 7.28 | July 15, '33 | 97.828 | -0.28 | 97.125 |
| Bath & Body Works | BBWI | 6.750 | 6.90 | July 1, '36 | 98.924 | -0.25 | 98.785 |
| ADT Security | ... | 4.875 | 6.20 | July 15, '32 | 93.500 | -0.25 | 93.575 |
| Transocean International | ... | 6.800 | 7.65 | March 15, '38 | 93.500 | -0.25 | 94.843 |

*Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for Z-spread.
Note: Data are for the most active issue of bonds with maturities of two years or more

Source: MarketAxess

## Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

## Money Rates

July 31, 2026

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

### Inflation

| | June index level | Chg From (%) May '26 | Chg From (%) June '25 |
|---|---|---|---|
| **U.S. consumer price index** | | | |
| All items | **333.952** | -0.35 | 3.5 |
| Core | **336.882** | 0.01 | 2.6 |

### International rates

| | Latest | Week ago | 52-Week High | 52-Week Low |
|---|---|---|---|---|
| **Prime rates** | | | | |
| **U.S.** | **6.75** | 6.75 | 7.50 | 6.75 |
| Canada | **4.45** | 4.45 | 4.95 | 4.45 |
| Japan | **2.125** | 2.125 | 2.125 | 1.875 |
| **Policy Rates** | | | | |
| Euro zone | **2.40** | 2.40 | 2.40 | 2.15 |
| Switzerland | **0.25** | 0.25 | 0.50 | 0.25 |
| Britain | **3.75** | 3.75 | 4.25 | 3.75 |
| Australia | **4.35** | 4.35 | 4.35 | 3.60 |
| **Overnight repurchase** | | | | |
| U.S. | **3.69** | 3.67 | 4.45 | 3.49 |

### U.S. government rates

| | Latest | Week ago | 52-Week High | 52-Week Low |
|---|---|---|---|---|
| **Discount** | **3.75** | 3.75 | 4.50 | 3.75 |
| **Federal funds** | | | | |
| Effective rate | **3.6400** | 3.6400 | 4.3300 | 3.6300 |
| High | **3.7000** | 3.7000 | 4.5500 | 3.7000 |
| Low | **3.5500** | 3.5500 | 4.3200 | 3.5500 |
| Bid | **3.6200** | 3.6200 | 4.3200 | 3.6100 |
| Offer | **3.6400** | 3.6400 | 4.3300 | 3.6300 |
| **Treasury bill auction** | | | | |
| 4 weeks | **3.630** | 3.730 | 4.300 | 3.550 |
| 13 weeks | **3.815** | 3.730 | 4.235 | 3.540 |
| 26 weeks | **3.945** | 3.835 | 4.120 | 3.475 |

### Other short-term rates

| | Latest | Week ago | 52-Week high | 52-Week low |
|---|---|---|---|---|
| **Call money** | **5.50** | 5.50 | 6.25 | 5.50 |
| **Commercial paper (AA financial)** | | | | |
| 90 days | **n.a.** | 3.81 | 4.26 | 3.57 |
| **Secured Overnight Financing Rate** | **3.65** | 3.64 | 4.51 | 3.50 |

| | Latest | Value Traded | 52-Week High | 52-Week Low |
|---|---|---|---|---|
| **DTCC GCF Repo Index** | | | | |
| Treasury | **3.686** | 77.600 | 4.492 | 3.504 |
| MBS | **3.710** | 87.386 | 4.623 | 3.517 |

### Weekly survey

| | Latest | Week ago | Year ago |
|---|---|---|---|
| **Freddie Mac** | | | |
| 30-year fixed | **6.66** | 6.58 | 6.72 |
| 15-year fixed | **6.04** | 5.96 | 5.85 |

**Notes on data:**

**U.S. prime rate** is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective December 11, 2025. **Other prime rates** aren't directly comparable; lending practices vary widely by location; **Discount rate** is effective December 11, 2025. **Secured Overnight Financing Rate** is as of July 30, 2026. **DTCC GCF Repo Index** is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. **Federal-funds rates** are Tullett Prebon rates as of 3:30 p.m. ET.

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

## New Highs and Lows

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. **%Chg**-Daily percentage change from the previous trading session.

**Friday, July 31, 2026**

### Highs

| Stock | Sym | 52-Wk Hi/Lo | % Chg |
|---|---|---|---|
| AMCGlobalMedia | AMCX | 11.66 | 15.3 |
| AcadianAsset | AAMI | 88.30 | 3.0 |
| AdaptiveBiotech | ADPT | 24.57 | -6.7 |
| Aegon | AEG | 9.49 | ... |
| AeonAcqnl | AESP | 9.93 | ... |
| Ametek | AME | 244.97 | 0.7 |
| AB InBev | BUD | 86.60 | 0.4 |
| AnikaTherap | ANIK | 19.29 | 6.7 |
| Apnimed | APMD | 29.15 | 56.3 |
| ArchimedeIII | ARCI | 10.14 | 0.4 |
| Arxis | ARXS | 55.24 | 10.9 |
| AstroNova | ALOT | 28.99 | 0.4 |
| AxosFinancial | AX | 105.20 | 3.0 |
| BBVA | BBVA | 28.05 | 1.3 |
| BankFirst | BFC | 154.42 | 1.0 |
| BankwellFinl | BWFG | 69.21 | 0.6 |
| BillionToOne | BLLN | 140.21 | -0.7 |
| BrinkerIntl | EAT | 214.23 | 1.8 |
| BristolMyers | BMY | 65.66 | 0.7 |
| Bruker | BRKR | 65.30 | -2.3 |
| CNO Financial | CNO | 57.59 | 3.0 |
| Cactus | WHD | 65.19 | 4.9 |
| CareDx | CDNA | 45.00 | 14.7 |
| CatalystAcqn | CATLU | 10.03 | 0.1 |
| CheesecakeFct | CAKE | 103.33 | 0.1 |
| ChefsWarehouse | CHEF | 115.72 | 2.8 |
| Citizens

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# BIGGEST 1,000 STOCKS

## How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are consolidated from trades reported by various market centers, including securities exchanges, Finra, electronic communications networks and other broker-dealers. The list comprises the 1,000 largest companies based on market capitalization.

**Underlined quotations** are those stocks with large changes in volume compared with the issue's average trading volume.

**Boldfaced quotations** highlight those issues whose price changed by 5% or more if their previous closing price was $2 or higher.

**Footnotes:**

ı-New 52-week high; ꜜ-New 52-week low; **dd**-Indicates loss in the most recent four quarters.

**Stock tables reflect composite regular trading as of 4 p.m. ET and changes in the official closing prices from 4 p.m. ET the previous day.**

**Friday, July 31, 2026**

| YTD %Chg | 52-Week Hi | 52-Week Lo | Stock | Sym | Yld % | PE | Last | Net Chg |
|---|---|---|---|---|---|---|---|---|
| **A B C** | | | | | | | | |
| -24.06 | 135.52 | 66.28 | AECOM | ACM | 1.7 | 15 | 72.39 | 0.63 |
| 2.37 | 17.65 | 12.33 | AES | AES | 4.8 | 8 | 14.68 | 0.01 |
| 15.61 | 130.22 | 96.95 | Aflac | AFL | 1.9 | 14 | 127.48 | 0.12 |
| -0.56 | 12.19 | 9.31 | AGNC Invt | AGNC | 13.5 | 6 | 10.66 | -0.14 |
| 52.58 | 45.66 | 17.86 | APA | APA | 2.7 | 9 | 37.32 | 0.99 |
| 118.45 | 45.52 | 9.29 | ASE Tech | ASX | 0.9 | 52 | 35.17 | 0.40 |
| 52.26 | 1999.96 | 683.48 | ASML | ASML | 0.5 | 51 | 1629 | -22.44 |
| -18.79 | 133.86 | 36.08 | AST Space | ASTS | ... | dd | 58.98 | 0.54 |
| -6.40 | 29.79 | 19.89 | AT&T | T | 4.8 | 8 | 23.25 | 0.04 |
| 63.33 | 205.31 | 70.42 | ATI | ATI | ... | 62 | 187.44 | 5.54 |
| 14.30 | 13.54 | 5.45 | AXIAEnergia | AXIA | 9.0 | 16 | 10.47 | -0.03 |
| -15.64 | 137.49 | 81.97 | AbbottLabs | ABT | 2.4 | 34 | 105.70 | 0.09 |
| 9.83 | 267.47 | 187.62 | AbbVie | ABBV | 2.8 | 124 | 250.94 | -6.47 |
| -7.37 | 148.83 | 67.09 | Abivax | ABVX | ... | dd | 124.92 | 0.59 |
| -38.16 | 291.09 | 113.15 | Accenture | ACN | 3.9 | 13 | 165.92 | 2.63 |
| -8.79 | 380.17 | 257.04 | Acuity | AYI | 0.2 | 22 | 328.39 | -9.46 |
| -28.45 | 370.86 | 190.12 | Adobe | ADBE | ... | 14 | 250.41 | 2.51 |
| -4.38 | 179.31 | 110.85 | AdvDrainageSys | WMS | 0.6 | 25 | 138.48 | 0.91 |
| 38.28 | 397.44 | 128.40 | **AdvEnergyInds** | AEIS | 0.1 | 61 | 289.52 | 15.26 |
| 122.33 | 584.73 | 149.22 | AdvMicroDevices | AMD | ... | 156 | 476.15 | -9.24 |
| ı 22.44 | 9.48 | 6.75 | Aegon | AEG | 4.0 | 13 | 9.44 | ... |
| 4.97 | 156.33 | 105.65 | AerCap | AER | 0.9 | 7 | 150.90 | -1.97 |
| 27.21 | 382.75 | 200 | AffiliatedMgrs | AMG | 0.0 | 13 | 366.73 | 1.27 |
| -3.92 | 100 | 42.09 | AffirmA | AFRM | ... | 65 | 71.51 | -1.74 |
| 1.69 | 160.27 | 108.35 | AgilentTechs | A | 0.7 | 28 | 138.37 | -0.34 |
| -14.31 | 255.24 | 123.34 | AgnicoEagleMines | AEM | 1.2 | 12 | 145.27 | -5.48 |
| 8.01 | 82.08 | 69.56 | AgreeRealty | ADC | 4.1 | 42 | 77.80 | -0.34 |
| 19.38 | 314.87 | 229.11 | AirProducts | APD | 2.5 | dd | 294.89 | -5.31 |
| 11.64 | 156.50 | 110.81 | Airbnb | ABNB | ... | 37 | 151.52 | -0.56 |
| 32.01 | 165.45 | 69.78 | AkamaiTech | AKAM | ... | 39 | 115.18 | 1.43 |
| -27.86 | 55.41 | 23.92 | AlamosGold | AGI | 0.6 | 10 | 27.83 | -0.57 |
| -16.83 | 221 | 64.95 | Albemarle | ALB | 1.4 | dd | 117.64 | -0.12 |
| -14.83 | 84.38 | 28.11 | Alcoa | AA | 0.9 | 9 | 45.26 | 0.29 |
| -12.52 | 90.41 | 61.84 | Alcon | ALC | 0.5 | 42 | 68.94 | -0.67 |
| **-16.60** | **192.67** | **91.99** | **Alibaba** | BABA | **0.8** | **20** | **122.25** | **5.93** |
| 8.33 | 200.44 | 122 | AlignTech | ALGN | ... | 29 | 169.16 | -4.25 |
| -1.14 | 183.11 | 125 | Allegion | ALLE | 1.4 | 21 | 157.40 | 0.34 |
| 8.88 | 78.81 | 63.28 | AlliantEnergy | LNT | 3.0 | 22 | 70.78 | 0.43 |
| 17.00 | 137.62 | 76.01 | AllisonTransm | ALSN | 1.0 | 18 | 114.54 | -0.90 |
| 26.87 | 277.22 | 188.08 | Allstate | ALL | 1.6 | 6 | 264.08 | -1.30 |
| -4.33 | 47.29 | 35.92 | AllyFinancial | ALLY | 2.8 | 10 | 43.33 | 0.15 |
| -48.32 | 495.55 | 197.81 | AlnylamPharm | ALNY | ... | 35 | 205.52 | 0.04 |
| **13.66** | **404.47** | **188.70** | **Alphabet C** | GOOG | **0.2** | **18** | **356.65** | **22.97** |
| **13.78** | **408.61** | **187.82** | **Alphabet A** | GOOGL | **0.2** | **18** | **356.13** | **22.47** |
| 18.51 | 77.06 | 54.70 | Altria | MO | 6.2 | 14 | 68.33 | 0.39 |
| **17.66** | **278.56** | **196** | **Amazon.com** | AMZN | **...** | **22** | **271.58** | **36.08** |
| 25.91 | 3.45 | 2.10 | Ambev | ABEV | 6.3 | 17 | 3.11 | -0.01 |
| 7.63 | 50.94 | 36.25 | Amcor | AMCR | 5.8 | 31 | 44.88 | -0.27 |
| -4.93 | 42.76 | 28.92 | AmerSports | AS | ... | 44 | 35.51 | -0.59 |
| 9.76 | 118.32 | 96.57 | Ameren | AEE | 2.7 | 19 | 109.61 | 0.86 |
| 22.64 | 28.46 | 17.90 | AmericaMovil | AMX | 2.2 | 15 | 25.35 | 0.03 |
| -0.39 | 18.79 | 10.09 | AmerAirlines | AAL | 0.0 | dd | 15.27 | -0.16 |
| 10.88 | 140.58 | 105.70 | AEP | AEP | 3.0 | 19 | 127.85 | 0.07 |
| -9.11 | 387.49 | 288.34 | AmerExpress | AXP | 1.1 | 20 | 336.25 | -1.27 |
| 3.69 | 150.02 | 122.11 | AmericanFin | AFG | 2.5 | 13 | 141.72 | 0.02 |
| 18.15 | 58.70 | 37.93 | AmerHlthcrREIT | AHR | 1.8 | 96 | 55.60 | -0.13 |
| 4.11 | 36.10 | 27.21 | AmHomes4Rent | AMH | 3.9 | 26 | 33.42 | 0.21 |
| -8.15 | 87.29 | 71.25 | AIG | AIG | 2.5 | 14 | 78.58 | -0.31 |
| -1.26 | 217.39 | 160.06 | AmerTowerREIT | AMT | 4.0 | 24 | 173.36 | -1.10 |
| 2.81 | 147.87 | 120.57 | AmerWaterWorks | AWK | 2.7 | 23 | 134.17 | -2.64 |
| 11.32 | 553.46 | 422.37 | Ameriprise | AMP | 1.2 | 13 | 545.84 | 1.38 |
| ı 17.73 | 244.97 | 179.24 | Ametek | AME | 0.6 | 37 | 241.71 | 1.70 |
| 17.67 | 398 | 269.77 | Amgen | AMGN | 2.6 | 27 | 385.16 | -2.48 |
| 26.32 | 96.68 | 21.57 | AmkorTech | AMKR | 0.7 | 22 | 49.87 | 1.61 |
| 18.91 | 178.52 | 102.76 | Amphenol | APH | 0.6 | 40 | 160.70 | 0.88 |
| -9.56 | 65.94 | 44.12 | Amrize | AMRZ | 0.0 | 23 | 48.91 | -0.69 |
| 35.48 | 445.91 | 218.37 | AnalogDevices | ADI | 1.2 | 55 | 367.41 | 0.74 |
| -6.99 | 129.14 | 45.36 | AngloGoldAsh | AU | 4.5 | 12 | 79.32 | -3.01 |
| ı 35.04 | 86.60 | 56.97 | ABInBev | BUD | 1.1 | 25 | 86.48 | 0.34 |
| 1.61 | 24.52 | 20 | AnnalyCap | NLY | 13.2 | 6 | 22.72 | -0.36 |
| 23.50 | 23.84 | 16.96 | AnteroMidstream | AM | 4.1 | 26 | 21.97 | 0.42 |
| 4.88 | 45.75 | 29.10 | AnteroResources | AR | ... | 10 | 36.14 | 0.84 |
| 2.17 | 382.34 | 304.59 | Aon | AON | 0.9 | 20 | 360.55 | -6.02 |
| 3.71 | 49.99 | 33.40 | APi Group | APG | ... | dd | 39.68 | 0.48 |
| 77.65 | 134.46 | 34.34 | ApogeeTherap | APGE | ... | dd | 134.09 | -0.21 |
| -13.24 | 153.29 | 99.56 | ApolloGlbMgmt | APO | 1.8 | 83 | 125.59 | 5.34 |
| **13.63** | **344.57** | **201.50** | **Apple** | AAPL | **0.3** | **35** | **308.91** | **-24.52** |
| 34.44 | 352.76 | 238.34 | AppliedIndlTech | AIT | 0.6 | 33 | 345.21 | 5.36 |
| 97.54 | 739.67 | 154.47 | AppliMaterials | AMAT | 0.4 | 48 | 507.67 | 5.90 |
| -41.25 | 745.61 | 359 | AppLovin | APP | ... | 35 | 395.90 | -7.97 |
| -12.39 | 78.49 | 51.68 | Aptiv | APTV | 0.0 | 33 | 56.47 | -1.62 |
| 54.56 | 58.68 | 35.07 | Aramark | ARMK | 0.8 | 42 | 56.97 | -0.28 |
| 53.92 | 72.50 | 30.17 | ArcelorMittal | MT | 0.7 | 30 | 70.14 | 0.80 |
| 4.81 | 107.08 | 82.44 | ArchCapital | ACGL | 0.0 | 8 | 100.53 | -0.61 |
| 37.88 | 88.46 | 52.96 | ADM | ADM | 2.6 | 35 | 79.27 | -1.34 |
| -20.75 | 195.26 | 95.80 | AresMgmt | ARES | 4.2 | 59 | 128.09 | 3.97 |
| 1.53 | 953.58 | 631.47 | argenx | ARGX | ... | 33 | 853.82 | -18.76 |
| **37.64** | **189.82** | **114.52** | **AristaNetworks** | ANET | **...** | **62** | **180.35** | **9.33** |
| 119.28 | 452.70 | 100.02 | Arm | ARM | ... | 246 | 239.69 | -1.85 |
| 96.56 | 237.33 | 101.79 | ArrowElec | ARW | ... | 15 | 216.57 | 3.72 |
| 27.50 | 95.49 | 15.01 | ArrowheadPharm | ARWR | ... | dd | 84.65 | -2.67 |
| ı **...** | **55.24** | **33.15** | **Arxis** | ARXS | **...** | **...** | **54.30** | **5.32** |
| 14.38 | 282.15 | 167.27 | AscendisPharma | ASND | ... | 27 | 243.91 | -7.16 |
| 15.92 | 284.64 | 184.15 | Assurant | AIZ | 1.3 | 14 | 279.19 | -3.27 |
| 87.08 | 499.48 | 97.89 | AsteraLabs | ALAB | ... | 210 | 311.23 | 11.54 |
| -3.34 | 212.71 | 141.77 | AstraZeneca | AZN | 1.9 | 25 | 169.64 | -1.70 |
| -37.70 | 199.09 | 56.01 | Atlassian | TEAM | ... | dd | 101.02 | 2.90 |
| 3.07 | 192.51 | 154.55 | AtmosEnergy | ATO | 2.3 | 21 | 172.78 | -1.48 |
| 67.97 | 8.56 | 3.60 | AuroraInnov | AUR | ... | dd | 6.45 | 0.21 |
| -20.88 | 329.09 | 185.50 | Autodesk | ADSK | ... | 34 | 234.20 | -0.77 |
| 3.59 | 315.26 | 188.16 | ADP | ADP | 2.6 | 24 | 266.46 | 2.59 |
| -11.06 | 4388.11 | 2902.20 | AutoZone | AZO | ... | 21 | 3016.25 | 9.68 |
| 2.37 | 198.63 | 160.09 | Avalonbay | AVB | 3.8 | 25 | 185.61 | -2.17 |
| 20.24 | 15.93 | 7.26 | Avantor | AVTR | ... | dd | 13.78 | -0.08 |
| -6.68 | 199.54 | 152.42 | AveryDennison | AVY | 2.4 | 19 | 169.73 | -5.09 |
| -7.07 | 885.91 | 339.01 | AxonEnterprise | AXON | ... | 211 | 527.76 | 2.46 |
| **19.36** | **260.19** | **96.09** | **AxsomeTherap** | AXSM | **...** | **dd** | **217.99** | **-16.65** |
| -8.98 | 26.52 | 20.87 | BCE | BCE | 5.8 | 4 | 21.68 | -0.02 |
| 39.95 | 93.83 | 49.68 | BHP Group | BHP | 3.1 | 21 | 84.49 | -1.41 |
| 8.61 | 110.92 | 83.21 | BJ's Wholesale | BJ | ... | 22 | 97.78 | -0.67 |
| 30.20 | 48.27 | 31.59 | BP | BP | 4.4 | 38 | 45.22 | 1.00 |
| -2.40 | 241.82 | 143.07 | BWX Tech | BWXT | 0.6 | 45 | 168.70 | 3.11 |
| 3.91 | 79.33 | 49.72 | BXP | BXP | 4.0 | 38 | 70.12 | -1.55 |
| -14.96 | 165.30 | 84.64 | Baidu | BIDU | ... | dd | 111.11 | 3.63 |
| 32.83 | 70.41 | 41.96 | BakerHughes | BKR | 1.5 | 19 | 60.49 | 0.59 |
| 22.52 | 68.29 | 44.83 | Ball | BALL | 1.2 | 19 | 64.90 | -0.41 |
| ı 19.91 | 28.05 | 16.44 | BBVA | BBVA | 3.1 | 13 | 27.95 | 0.35 |
| **19.86** | **3.80** | **2.37** | **BancoBradesco** | BBDO | **4.9** | **9** | **3.44** | **0.21** |
| 8.82 | 46.77 | 27.08 | BancodeChile | BCH | 4.0 | 17 | 41.35 | -0.90 |
| **-7.20** | **7.32** | **4.66** | **BancSanBrasil** | BSBR | **5.2** | **18** | **5.67** | **0.62** |
| 11.25 | 37.72 | 22.77 | BcoSantChile | BSAC | 3.2 | 15 | 34.61 | -0.46 |
| 20.20 | 14.39 | 8.29 | BancoSantander | SAN | 1.4 | 11 | 14.10 | -0.01 |
| 12.64 | 62.98 | 44.75 | BankofAmerica | BAC | 2.1 | 14 | 61.95 | 0.22 |
| 38.26 | 184.21 | 109.64 | BankMontreal | BMO | 2.5 | 19 | 179.45 | 0.83 |
| 34.66 | 163.77 | 98.40 | BankNY Mellon | BNY | 1.6 | 18 | 156.33 | 0.25 |
| 19.11 | 90.47 | 55.21 | BankNovaScotia | BNS | 3.4 | 17 | 87.77 | -0.07 |
| 8.06 | 28.67 | 18.79 | Barclays | BCS | 1.6 | 10 | 27.50 | -0.20 |
| -15.66 | 54.69 | 20.95 | BarrickMining | B | 2.5 | 10 | 36.73 | -0.97 |
| 36.89 | 30 | 15.73 | BaxterIntl | BAX | 0.2 | dd | 26.16 | -0.59 |
| 8.60 | 187.35 | 127.54 | BectonDicknsn | BDX | 2.5 | 42 | 165.62 | 0.17 |
| ... | 43.98 | 30.11 | BendingSpoons | BSP | ... | ... | 35.20 | 0.46 |
| -7.14 | 58.64 | 28.08 | BentleySystems | BSY | 0.8 | 40 | 35.44 | 0.23 |
| 4.02 | 385.22 | 253.95 | BeOneMed | ONC | ... | 71 | 316.01 | -6.07 |
| 3.45 | 78.96 | 62.87 | Berkley | WRB | 0.6 | 15 | 72.54 | -0.84 |
| 1.77 | 516.85 | 455.19 | BerkHathwy B | BRK.B | ... | 15 | 511.54 | 1.86 |
| 1.56 | 775000 | 685150 | BerkHathwy A | BRK.A | ... | 15 | 766600 | 1610.00 |
| 28.88 | 91.27 | 55.10 | BestBuy | BBY | 4.5 | 16 | 86.26 | -1.56 |
| 22.58 | 72.36 | 43.20 | Bio-Techne | TECH | 0.4 | 104 | 72.09 | 0.06 |
| 15.32 | 219.72 | 124.56 | Biogen | BIIB | ... | 36 | 202.95 | -4.98 |
| 0.99 | 66.28 | 49.26 | BioMarinPharm | BMRN | ... | 44 | 60.02 | -0.56 |
| -4.85 | 124 | 79.52 | BioNTech | BNTX | 0.0 | dd | 90.58 | -2.27 |
| -36.35 | 71.74 | 12.80 | BitMinelmmersion | BMNR | 0.1 | dd | 17.28 | -0.80 |
| 1.87 | 1219.94 | 917.39 | BlackRock | BLK | 2.1 | 27 | 1090.39 | -7.98 |
| -17.12 | 190.09 | 101.73 | Blackstone | BX | 3.6 | 29 | 127.75 | -0.32 |
| 24.81 | 84.08 | 48.21 | Block | XYZ | ... | 63 | 81.24 | -1.35 |
| 136.86 | 351.28 | 32.52 | BloomEnergy | BE | ... | 280 | 205.81 | -1.31 |
| -31.06 | 20.58 | 7.95 | BlueOwlCapital | OWL | 8.9 | 126 | 10.30 | 0.14 |
| -0.45 | 254.35 | 176.77 | Boeing | BA | 0.0 | 98 | 216.14 | -4.76 |
| -9.95 | 231.80 | 150.14 | Booking | BKNG | 0.9 | 25 | 192.90 | -0.34 |
| 41.46 | 78.82 | 35.04 | BorgWarner | BWA | 1.1 | 39 | 63.74 | -0.67 |
| -50.99 | 109.50 | 42.20 | BostonSci | BSX | ... | 19 | 46.73 | 0.73 |
| 4.71 | 93.42 | 42.09 | BridgeBioPharma | BBIO | ... | dd | 80.09 | -2.05 |
| **59.44** | **73.75** | **19.01** | **BrightSpring** | BTSG | **...** | **56** | **59.71** | **-13.17** |
| ı 21.08 | 65.66 | 42.52 | BristolMyers | BMY | 3.9 | 14 | 65.31 | 0.45 |
| 7.12 | 67.30 | 49.88 | BritishAmTob | BTI | 5.4 | 13 | 60.65 | -1.04 |
| 20.18 | 32.86 | 24.66 | BrixmorProp | BRX | 3.9 | 22 | 31.51 | 0.01 |
| 12.48 | 495 | 281.61 | Broadcom | AVGO | 0.7 | 65 | 389.28 | 1.44 |
| -31.02 | 271.91 | 133.83 | BroadridgeFinl | BR | 2.5 | 16 | 153.95 | -0.82 |
| -7.62 | 64.10 | 42.20 | BrookfieldAsset | BAM | 4.2 | 31 | 48.40 | 0.44 |
| -7.32 | 49.56 | 37.93 | Brookfield | BN | 0.7 | 86 | 42.53 | 0.50 |
| 20.21 | 44.03 | 29.63 | BrookfieldInfr | BIP | 4.4 | 57 | 41.76 | -0.63 |
| -6.01 | 49.86 | 40.06 | BrookfWealth | BNT | 0.6 | ... | 43.19 | 0.44 |
| -11.67 | 98.30 | 53.81 | Brown&Brown | BRO | 0.9 | 22 | 70.40 | -0.47 |
| 10.25 | 31.92 | 22.61 | Brown-Forman B | BF.B | 3.2 | 19 | 28.73 | -0.10 |
| 11.06 | 31.63 | 23.01 | Brown-Forman A | BF.A | 3.2 | 19 | 29.22 | 0.01 |
| ı 33.39 | 65.30 | 28.53 | Bruker | BRKR | 0.3 | dd | 62.84 | -1.50 |
| ı -42.46 | 118 | 20.55 | Bullish | BLSH | ... | dd | 21.79 | -0.80 |
| 19.25 | 134.87 | 76.01 | BungeGlobal | BG | 2.7 | 21 | 106.23 | 1.16 |
| 27.57 | 378.33 | 240.49 | BurlingtonStrs | BURL | ... | 38 | 368.48 | -3.71 |
| -6.58 | 683.50 | 434.70 | CACI Intl | CACI | ... | 21 | 497.75 | 20.40 |
| -8.69 | 174.27 | 121.69 | CBRE Group | CBRE | ... | 34 | 146.81 | -2.65 |
| 8.52 | 179.27 | 97.12 | CDW | CDW | 1.7 | 18 | 141.81 | 2.25 |
| 61.87 | 141.96 | 75.42 | CF Industries | CF | 1.9 | 11 | 125.19 | -0.58 |
| -20.75 | 98.19 | 59.63 | CGI A | GIB | 0.7 | 13 | 73.15 | -0.09 |
| -8.11 | 210.33 | 104.95 | CH Robinson | CHRW | 1.7 | 28 | 147.73 | 0.81 |
| -1.94 | 329.16 | 218.31 | CME Group | CME | 1.9 | 23 | 267.79 | 0.57 |
| 2.95 | 80.36 | 68.64 | CMS Energy | CMS | 3.2 | 22 | 71.99 | -0.27 |
| 9.91 | 55.71 | 41.53 | CNA Fin | CNA | 3.7 | 12 | 52.47 | -0.79 |
| 11.17 | 13.31 | 9 | CNH Indl | CNH | 1.0 | 33 | 10.25 | -0.07 |
| -23.87 | 131.55 | 93.58 | CRH | CRH | 1.6 | 17 | 95.01 | -0.99 |
| 39.03 | 53.60 | 31.80 | CSX | CSX | 1.1 | 29 | 50.40 | 0.21 |
| 31.59 | 110.68 | 61.19 | CVS Health | CVS | 2.5 | 46 | 104.43 | -0.79 |
| 8.78 | 416.69 | 262.75 | CadenceDesign | CDNS | ... | 68 | 340.02 | 7.20 |
| 0.66 | 119.81 | 96.53 | CamdenProperty | CPT | 3.8 | 37 | 110.81 | -2.48 |
| -5.59 | 135.24 | 68.96 | Cameco | CCJ | 0.1 | 80 | 86.38 | -1.85 |
| 30.84 | 122.50 | 71 | CIBC | CM | 2.1 | 16 | 118.55 | 0.28 |
| 28.69 | 131.55 | 90.74 | CanNtlRlwy | CNI | 2.0 | 23 | 127.21 | 0.08 |
| 40.86 | 51.34 | 29.30 | CanadianNatRscs | CNQ | 3.2 | 14 | 47.68 | 0.40 |
| 20.73 | 93.95 | 68.42 | CdnPacKC | CP | 0.7 | 29 | 88.89 | 0.73 |

| YTD %Chg | 52-Week Hi | 52-Week Lo | Stock | Sym | Yld % | PE | Last | Net Chg |
|---|---|---|---|---|---|---|---|---|
| -13.76 | 259.63 | 174.24 | CapitalOne | COF | 1.5 | 74 | 209.01 | -1.13 |
| 11.94 | 243.21 | 137.75 | CardinalHealth | CAH | 0.9 | 35 | 230.03 | 2.96 |
| 15.98 | 43.62 | 31.33 | CareTrustREIT | CTRE | 3.7 | 27 | 41.94 | 0.30 |
| 12.52 | 432.91 | 293.43 | Carlisle | CSL | 1.2 | 21 | 359.92 | -9.96 |
| -22.15 | 69.85 | 39.60 | Carlyle | CG | 3.0 | 31 | 46.02 | 0.66 |
| -8.94 | 34.03 | 23.45 | Carnival | CCL | 2.2 | 13 | 27.81 | 0.04 |
| 65.06 | 625.99 | 228 | CarpenterTech | CRS | 0.2 | 49 | 519.66 | 15.95 |
| 16.98 | 76.76 | 50.24 | CarrierGlobal | CARR | 1.6 | 44 | 61.81 | 0.42 |
| -26.12 | 97.38 | 54.46 | Carvana | CVNA | ... | 29 | 62.36 | 0.92 |
| 57.59 | 927.85 | 490 | CaseysGenStores | CASY | 0.3 | 45 | 871 | 4.15 |
| 42.23 | 1073.46 | 405.46 | Caterpillar | CAT | 0.8 | 41 | 814.81 | 5.67 |
| **12.12** | **474.02** | **173.23** | **Celestica** | CLS | **...** | **34** | **331.44** | **-21.15** |
| 2.87 | 13.67 | 8.17 | Cemex | CX | 0.8 | 36 | 11.82 | -0.11 |
| -7.82 | 377.54 | 244.82 | Cencora | COR | 0.8 | 24 | 311.34 | -0.89 |
| 78.43 | 32.07 | 14.48 | CenovusEnergy | CVE | 1.1 | 12 | 30.19 | -0.13 |
| 51.20 | 69.36 | 25.07 | Centene | CNC | ... | dd | 62.22 | 1.38 |
| 9.65 | 45.26 | 36.60 | CenterPointEner | CNP | 2.3 | 25 | 42.04 | -0.11 |
| ... | 386.34 | 160.81 | CerebrasSystems | CBRS | ... | 172 | 198.71 | -4.36 |
| 16.56 | 242.73 | 144.26 | CharlesRiverLabs | CRL | ... | dd | 232.51 | -2.11 |
| -30.55 | 285.82 | 111.55 | CharterComms | CHTR | ... | 4 | 144.98 | 2.98 |
| -31.49 | 210.66 | 112.23 | CheckPoint | CHKP | ... | 13 | 127.13 | -1.10 |
| 35.59 | 300.89 | 186.20 | CheniereEnergy | LNG | 0.8 | 43 | 263.57 | 5.51 |
| 23.22 | 70.64 | 49.53 | CheniereEnerPtrs | CQP | 4.7 | 15 | 65.90 | 0.84 |
| 29.15 | 214.71 | 146.49 | Chevron | CVX | 3.6 | 34 | 196.83 | 4.52 |
| -31.62 | 43.50 | 17.40 | Chewy | CHWY | ... | 38 | 22.60 | -0.22 |
| 0.59 | 44.27 | 28.04 | Chipotle | CMG | ... | 34 | 37.22 | -1.30 |
| 12.35 | 365.91 | 264.10 | Chubb | CB | 1.1 | 12 | 350.68 | 0.53 |
| 2.16 | 46.48 | 39.28 | ChunghwaTel | CHT | 3.0 | 26 | 42.61 | -0.07 |
| 17.84 | 106.04 | 81.33 | Church&Dwight | CHD | 1.2 | 33 | 98.81 | 1.13 |
| 61.22 | 637.51 | 84.41 | Ciena | CIEN | ... | 126 | 377.05 | 4.98 |
| 1.39 | 315.47 | 239.51 | Cigna | CI | 2.2 | 12 | 279.05 | -8.61 |
| 8.79 | 194.81 | 143.87 | CincinnatiFinl | CINF | 2.1 | 8 | 177.68 | 2.95 |
| 8.81 | 226.75 | 161.16 | Cintas | CTAS | 1.0 | 42 | 204.63 | -2.16 |
| 51.22 | 30.14 | 4.55 | CipherDigital | CIFR | ... | dd | 22.32 | -0.34 |
| -21.05 | 189.92 | 49.90 | CircleInternet | CRCL | ... | dd | 62.61 | -1.63 |
| 50.58 | 130.37 | 65.75 | CiscoSystems | CSCO | 1.4 | 38 | 115.99 | 2.43 |
| 13.51 | 147.96 | 87.94 | Citigroup | C | 2.0 | 14 | 132.45 | 0.13 |
| 22.67 | 74.70 | 45.91 | CitizensFin | CFG | 2.6 | 16 | 71.65 | -0.08 |
| 33.44 | 335.94 | 201.34 | CleanHarbors | CLH | ... | 38 | 312.88 | -4.27 |
| -5.26 | 128.90 | 84.70 | Clorox | CLX | 5.2 | 16 | 95.53 | -1.20 |
| ı 41.51 | 293.80 | 158.83 | Cloudflare | NET | ... | dd | 278.98 | -4.41 |
| 25.29 | 90.92 | 65.35 | Coca-Cola | KO | 2.4 | 26 | 87.59 | -0.90 |
| 22.57 | 219.65 | 110.40 | Coca-ColaCon | COKE | 0.5 | 27 | 187.90 | -1.93 |
| 20.68 | 113.67 | 84.66 | CocaColaEuropac | CCEP | 2.2 | 23 | 109.46 | -2.25 |
| -16.38 | 27.77 | 8.56 | CoeurMining | CDE | 0.3 | 12 | 14.91 | -0.49 |
| 81.32 | 72.88 | 34.60 | Cognex | CGNX | 0.5 | 77 | 65.24 | 2.62 |
| -33.31 | 87.03 | 37.08 | CognizantTech | CTSH | 2.4 | 12 | 55.35 | 1.46 |
| **42.43** | **440** | **84.35** | **Coherent** | COHR | **...** | **126** | **262.89** | **13.83** |
| ı **-35.32** | **402.16** | **139.11** | **CoinbaseGlbl** | COIN | **...** | **dd** | **146.26** | **-17.32** |
| 15.54 | 99.33 | 74.55 | ColgatePalm | CL | 2.3 | 35 | 91.30 | -0.30 |
| -14.43 | 32.85 | 21.28 | Comcast A | CMCSA | 5.5 | 8 | 23.96 | 0.29 |
| 85.33 | 2073.99 | 655.96 | ComfortSystems | FIX | 0.2 | 43 | 1729.69 | 31.85 |
| 14.44 | 7.16 | 3.67 | SABESP | SBS | 3.7 | 33 | 5.45 | -0.02 |
| 28.70 | 135.87 | 85.57 | ConocoPhillips | COP | 2.8 | 20 | 120.48 | 1.45 |
| 9.60 | 116.23 | 94.96 | ConEd | ED | 3.3 | 18 | 108.85 | -0.81 |
| -5.60 | 174.32 | 126.45 | ConstBrands A | STZ | 3.2 | 12 | 130.23 | -0.15 |
| -25.62 | 412.70 | 228.63 | ConstellationEner | CEG | 0.6 | 23 | 262.75 | -0.81 |
| -11.76 | 89.83 | 58.89 | Cooper | COO | 0.0 | 61 | 72.32 | -0.33 |
| -25.62 | 50.11 | 26.81 | Copart | CPRT | ... | 18 | 29.12 | -0.45 |
| 228.99 | 122.21 | 28.66 | CorceptTherap | CORT | ... | 273 | 114.49 | -3.83 |
| 3.38 | 36.57 | 22.19 | CorebridgeFin | CRBG | 3.2 | 52 | 31.19 | -0.77 |
| 0.22 | 153.20 | 60.55 | CoreWeave | CRWV | ... | dd | 71.77 | -2.13 |
| 57.89 | 271.78 | 61.44 | Corning | GLW | 0.8 | 63 | 138.25 | 3.03 |
| 26.98 | 395.49 | 252.84 | Corpay | CPAY | ... | 23 | 382.11 | -8.01 |
| **17.43** | **90.97** | **60.53** | **Corteva** | CTVA | **0.9** | **52** | **78.71** | **-10.63** |
| -57.23 | 97.43 | 25.89 | CoStar | CSGP | ... | 158 | 28.76 | -0.70 |
| 10.38 | 1096.50 | 844.06 | Costco | COST | 0.6 | 48 | 951.89 | -2.28 |
| -30.69 | 34.08 | 14.92 | Coupang | CPNG | ... | dd | 16.35 | 0.26 |
| 15.74 | 230.50 | 159.58 | Crane | CR | 0.5 | 37 | 213.46 | -0.72 |
| ı 39.57 | 413.25 | 230.45 | Credicorp | BAP | 2.7 | 15 | 400.58 | -1.69 |
| 43.85 | 308.67 | 86.48 | CredoTech | CRDO | ... | 83 | 206.99 | 5.91 |
| 62.86 | 217.50 | 85.68 | CrowdStrike | CRWD | ... | dd | 190.86 | 5.64 |
| -14.14 | 112.75 | 73.52 | CrownCastle | CCI | 5.6 | 17 | 76.30 | -0.21 |
| 14.45 | 121.90 | 89.21 | CrownHoldings | CCK | 1.2 | 17 | 117.85 | -0.52 |
| 15.01 | 43.26 | 35.09 | CubeSmart | CUBE | 5.1 | 28 | 41.46 | 0.22 |
| 31.36 | 169.09 | 119 | Cullen/Frost | CFR | 2.5 | 16 | 166.34 | 2.85 |
| 24.24 | 737.76 | 354.68 | Cummins | CMI | 1.4 | 33 | 634.20 | 1.22 |
| 31.33 | 808.16 | 464.91 | Curtiss-Wright | CW | 0.1 | 53 | 724 | 7.34 |
| 21.39 | 88.31 | 32.89 | Cytokinetics | CYTK | ... | dd | 77.13 | -3.29 |
| **D E F** | | | | | | | | |
| 9.99 | 155.75 | 126.23 | DTE Energy | DTE | 3.3 | 22 | 141.87 | 0.17 |
| 15.31 | 152.88 | 99.81 | DT Midstream | DTM | 2.5 | 30 | 138 | 1.23 |
| -14.83 | 242.80 | 160.93 | Danaher | DHR | 0.8 | 35 | 194.98 | -1.19 |
| 10.63 | 220.65 | 169 | Darden | DRI | 3.0 | 20 | 203.58 | -3.39 |
| 68.44 | 66.02 | 29.15 | DarlingIngred | DAR | ... | 16 | 60.64 | -0.36 |
| ı 97.05 | 278.76 | 98.01 | Datadog | DDOG | ... | 715 | 267.97 | -0.59 |
| 111.33 | 244.49 | 101 | DaVita | DVA | ... | 23 | 240.09 | 1.23 |
| -6.55 | 125.45 | 78.91 | DeckersOutdoor | DECK | ... | 14 | 96.88 | -2.81 |
| 27.30 | 674.19 | 433 | Deere | DE | 1.1 | 34 | 592.67 | -6.80 |
| 222.03 | 469.47 | 110.22 | DellTechC | DELL | 0.6 | 32 | 405.37 | 0.56 |
| 25.99 | 95.68 | 50.45 | DeltaAir | DAL | 1.0 | 15 | 87.44 | -1.15 |
| -4.82 | 40.43 | 28.12 | DeutscheBank | DB | 0.9 | 10 | 36.70 | -0.33 |
| 23.21 | 52.71 | 31.47 | DevonEnergy | DVN | 2.8 | 13 | 45.13 | 0.96 |
| **25.73** | **87** | **54.11** | **DexCom** | DXCM | **...** | **33** | **83.45** | **8.91** |
| 2.07 | 116.41 | 72.45 | Diageo | DEO | 4.7 | 20 | 88.06 | -1.00 |
| 35.00 | 214.51 | 134.30 | DiamondbkEner | FANG | 2.2 | 229 | 202.95 | 3.18 |
| -1.04 | 244.38 | 186.67 | Dick's | DKS | 2.6 | 19 | 195.91 | -4.00 |
| 21.85 | 208.14 | 146.23 | DigitalRealty | DLR | 2.6 | 92 | 188.52 | -4.67 |
| 144.18 | 187.50 | 25.56 | DigitalOcean | DOCN | ... | 51 | 117.50 | -2.73 |
| -2.97 | 741.98 | 449.64 | Dillard's | DDS | 0.2 | 14 | 588.34 | -13.97 |
| 15.45 | 119.91 | 92.19 | Disney | DIS | 1.6 | 15 | 96.19 | 0.03 |
| -19.84 | 86.65 | 40.16 | DocuSign | DOCU | ... | 36 | 54.83 | 0.54 |
| -4.31 | 158.23 | 95.11 | DollarGeneral | DG | 1.9 | 18 | 127.05 | -0.45 |
| 3.41 | 142.40 | 84.71 | DollarTree | DLTR | ... | 20 | 127.21 | -1.36 |
| 18.06 | 72.99 | 55.85 | DominionEner | D | 3.9 | 20 | 69.17 | -0.56 |
| -16.65 | 477 | 282 | Domino's | DPZ | 2.3 | 20 | 347.44 | -4.81 |
| 6.29 | 112.84 | 70.17 | Donaldson | DCI | 1.4 | 25 | 94.

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# BUSINESS & FINANCE

# BP Looks to Sell U.K. North Sea Business

British oil giant is refocusing spending on higher-returning projects elsewhere

By Adam Whittaker

ANDY BUCHANAN/POOL/AFP/GETTY IMAGES

**BP's North Sea production averaged around 117,000 barrels of oil equivalent a day in 2025.**

British energy major BP is putting its U.K. North Sea business up for sale, paving the way to end oil production in its home country after more than half a century.

BP said Friday that it would market the business to potential buyers as it refocuses spending on higher-returning projects elsewhere.

The move comes as new Chief Executive Meg O'Neill reviews BP's portfolio in a strategic shake-up designed to boost profit and shareholder returns. The company is targeting $20 billion in asset sales by the end of 2027 in a bid to cut net debt.

BP's share price and profitability have fallen behind peers in recent years—in part after an ill-fated push into green energy—and the company is attempting to catch up by spending more on its core oil-and-gas business.

O'Neill said Friday that as BP directs spending to its highest-value opportunities, its North Sea business may be better positioned as part of another company.

The assets BP is putting up for sale include five production hubs off the east coast of Scotland and west of the Shetland Islands. The business employs around 1,100 people.

BP received its first license to explore the North Sea in 1964 and began production 11 years later. While the company has its headquarters in the U.K., its origins stem from the Middle East, where William Knox D'Arcy secured a concession to begin drilling for oil in 1902. The exploration company went on to become BP.

While BP's North Sea assets hold historic and national significance in the U.K., they aren't of great financial importance to the company. It has assets around the world, including significant holdings in the U.S. and the Gulf of Mexico.

BP's North Sea production averaged around 117,000 barrels of oil equivalent a day in 2025—just a fraction of the company's total oil-and-gas production of 2.3 million barrels.

The U.K. North Sea is a mature basin, meaning much of the easy-to-access oil has already been tapped. International energy majors have been scaling back their exposure as independent operators stepped in and have consolidated assets. Higher taxes on profits have also hit investment and changed the calculus for energy companies.

Industry groups, some labor unions and President Trump have called on the U.K. government to relax its restrictions on new oil-and-gas projects in the North Sea.

Trump's "drill, baby, drill" mantra has differed from the approach of the U.K.'s governing Labour Party, which said in its 2024 election manifesto that it wouldn't issue new licenses to drill for oil and gas. New Prime Minister Andy Burnham has said he recently told Trump that he would take a "pragmatic" approach to new drilling.

The U.K. government is currently deciding whether to proceed with two major North Sea oil-and-gas projects, called Jackdaw and Rosebank, which have been entangled in legal disputes.

BP would still retain a major presence in the U.K. even after any sale of its North Sea assets. The company will retain its global headquarters in the country as well as a business providing aviation fuel, a network of gas stations and its global trading hub, among other operations.

# Circle K Owner Eyes European Expansion With Deal in Poland

By Megan Cheah

Canada's Alimentation **Couche-Tard** plans to acquire Poland's largest convenience retailer Zabka for about $8.7 billion to expand its footprint in central and eastern Europe.

The deal, if successful, would be the largest-ever acquisition for the owner of Circle K, which abandoned a $47 billion takeover attempt of Seven & i, the Japanese owner of 7-Eleven, last July.

**If successful, it would be the largest-ever acquisition by Couche-Tard.**

Couche-Tard said Friday that its subsidiary Circle K Polska will launch a tender offer for all shares of Zabka Group at 32 Polish zlotys each, representing a total equity value of about 32.62 billion zlotys, equivalent to $8.73 billion. Zabka shares last closed at 29.26 zlotys on the Warsaw Stock Exchange.

The Canadian convenience-store operator expects to commence the offer around late August and complete the deal by December.

The move comes less than a week after Seven & i decided against proceeding with a potential investment in Zabka.

Zabka operates more than 13,000 stores across Poland and Romania and boasts around 4.3 million average daily transactions. The Polish food retailer also claims around 11.7 million users across its digital channels.

Couche-Tard said it expects to fund the deal through fully committed debt facilities.

# Startup Is Sorry for Offering Job Interviews for Tattoos

By Allison Pohle And Chip Cutter

Job interviews often require take-home tests, strategy memos, even personality assessments. This one, though, involved permanent ink and needles.

The co-founder of early AI startup LemonLime set off an uproar after offering attendees at a networking party a dare of sorts: anyone who got a company tattoo at the event would get an instant interview.

The idea was to "meet exceptional people, and find out which of them are just as crazy as we are," Jordan Zietz posted on LinkedIn, adding that he had brought a tattoo artist along for the occasion. "We are bold, we take risks, and we do things that haven't been done before."

Seven people, he wrote, took him up on the offer, leaving the recent San Francisco event inked with a permanent tattoo. "If you're reaching out to us to apply for a job, you might want to take notes," he added.

The online outrage erupted almost instantly—some from people venting about "Orwellian" Silicon Valley startup culture. Others decried a hiring environment in which job seekers have to jump through even more hoops just to get a foot in the door.

"The job market cannot be this cooked," one X user wrote, "that kids have to get permanent tattoos to get interviews."

Another, more sheepish post from Zietz followed.

"I messed up," he wrote, calling the offer reckless. This time, Zietz said that all of the people who got tattoos chose their own. None was asked to get one of LemonLime's logo. Still, he said, "I should have understood the pressure and power dynamic created by connecting tattoos to hiring."

Zietz and co-founder Daniela Muñoz started LemonLime earlier this year as a business that creates AI agents and automations for companies. The five-person company is in the current batch of startups going through the renowned Y Combinator startup accelerator program, and many people there were fellow Y Combinator founders and participants in its startup school, attendees said.

One of them, Dimple Amitha Garuadapuri, attended the event to network with other founders. She has her own startup, called Stri Health, which is focused on women's health. She had been considering a tattoo for some time, and embraced the chance to go for it. She got something personal to her but declined to say what it was—except that it was neither a lemon nor a lime.

The photo of her receiving the tattoo went viral along with posts that she was interviewing for a job. "I felt the narrative of my virality wasn't in my control," she says. She is focused on her startup and is hiring: no tattoos required. "We don't discriminate," she says.

Zietz is no stranger to public attention. In 2022, while playing the Tree, Stanford's unofficial mascot, he unfurled a 40-foot banner that read, "Stanford Hates Fun."

Veteran startup founders said the LemonLime gambit succeeded in generating attention, but plenty questioned the move.

"It's novel, but I don't like it," said Mark Pincus, the former CEO of game company Zynga, and the author of a new book, "Life at the Speed of Play." "You're asking somebody to get the tattoo before we even know if we're going to hire them—that's not OK."

He then offered a lighthearted alternative: "Maybe they could do a henna one, and then commit to make it permanent if we hire them."

# Refunds on Tariffs Lift Newell's Outlook

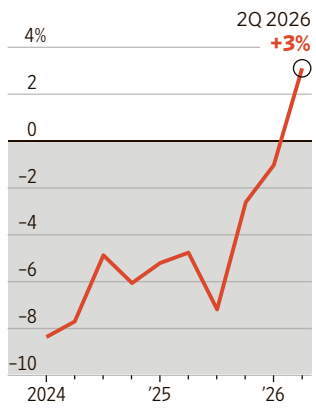
By Katherine Hamilton

**Newell Brands** raised its earnings outlook, as it expects a bump from tariff refunds to help offset the rising cost of supplies.

The company, which sells Sharpie markers and Rubbermaid containers, managed to return several of its business segments to growth, despite climbing costs. Newell executives told analysts Friday that they are using the extra boost from tariffs to avoid raising consumer prices on a broad-based scale.

The refunds and higher second-quarter profit will help "effectively offset what is a significantly higher inflationary environment than what we had planned going into the year," Chief Executive Chris Peterson said.

**Newell Brands quarterly revenue, change from a year earlier**




Source: S&P Capital IQ

Newell now projects full-year normalized earnings per share to be 73 cents to 77 cents, up from 56 cents to 60 cents previously. It also narrowed its net-sales growth outlook to 1% to 2%, from flat to 2%.

Shares climbed 9% to $5.60 on Friday.

The higher guidance comes despite Newell anticipating a $200 million cost from inflation this year, double the estimate it gave at the start of 2026. Management hopes to offset some of that expense with tariff refunds it expects to receive later this year, which are set to total $126 million for duties expensed this year and last.

Newell raised prices multiple times in 2025 as it braced for higher costs from newly implemented tariffs.

Revenue momentum has since picked up, with sales rising 3% to $1.99 billion in the second quarter. Analysts surveyed by FactSet forecast sales of $1.98 billion. Core sales increased 2.3%. Profit was $106 million, or 25 cents a share, compared with $46 million, or 11 cents a share, a year earlier. Analysts expected 17 cents a share, according to FactSet.

Newell expects 2%-to-3% sales growth in the current third quarter.

## Dividend Changes

| Company | Symbol | Yld % | Amount New/Old | Frq | Payable/Record |
|---|---|---|---|---|---|
| **Increased** | | | | | |
| American States Water | AWR | 2.5 | .5455/.504 | Q | Sep02/Aug17 |
| Artisan Ptrs Asset Mgmt | APAM | 8.8 | .80/.77 | Q | Aug31/Aug17 |
| Boise Cascade | BCC | 1.2 | .23/.22 | Q | Sep16/Sep01 |
| Cactus Cl A | WHD | 0.9 | .15/.14 | Q | Sep11/Aug31 |
| Cheniere Energy Ptnr | CQP | 4.8 | .82/.79 | Q | Aug14/Aug07 |
| Cintas | CTAS | 1.0 | .52/.45 | Q | Sep15/Aug14 |
| Community Trust Bancorp | CTBI | 2.7 | .65/.53 | Q | Oct01/Sep15 |
| Crawford & Co B | CRD.B | 2.9 | .08/.075 | Q | Aug28/Aug14 |
| Crawford Cl A | CRD.A | 2.7 | .08/.075 | Q | Aug28/Aug14 |
| CVR Partners | UAN | 9.6 | 6.08/4.00 | Q | Aug17/Aug10 |
| Diamondrock Hospitality | DRH | 2.7 | .11/.09 | Q | Oct14/Sep30 |
| Eagle Bancorp Montana | EBMT | 2.5 | .1475/.145 | Q | Sep04/Aug14 |
| Essential Utilities | WTRG | 3.6 | .3606/.3426 | Q | Sep01/Aug11 |
| Excelerate Energy | EE | 0.8 | .09/.08 | Q | Sep03/Aug19 |
| Global Partners | GLP | 6.3 | .78/.765 | Q | Aug14/Aug10 |
| Hawkins | HWKN | 0.6 | .20/.19 | Q | Aug28/Aug14 |
| Kenvue | KVUE | 4.4 | .21/.2075 | Q | Aug26/Aug12 |
| Landstar System | LSTR | 1.0 | .44/.40 | Q | Sep09/Aug18 |
| Lithia Motors | LAD | 0.6 | .70/.57 | Q | Aug21/Aug07 |
| Littelfuse | LFUS | 0.7 | .80/.75 | Q | Sep03/Aug20 |
| Magnolia Oil & Gas | MGY | 2.4 | .18/.165 | Q | Sep01/Aug10 |
| North Eur Oil Royalty Tr | NRT | 10.7 | .26/.22 | Q | Aug31/Aug17 |
| Republic Services | RSG | 1.2 | .67/.625 | Q | Oct15/Oct02 |
| Rush Enterprises A | RUSHA | 0.9 | .14/.12667 | Q | Sep24/Sep09 |
| Rush Enterprises B | RUSHB | 1.0 | .14/.12667 | Q | Sep24/Sep09 |
| Steris | STE | 1.1 | .69/.63 | Q | Sep25/Sep04 |
| Timberland Bancorp | TSBK | 2.6 | .30/.29 | Q | Aug24/Aug10 |
| Truist Finl Pfd. I | TFCpI | 6.6 | .2847/.2822 | Q | Sep15/Aug14 |
| UMB Financial | UMBF | 1.2 | .50/.43 | Q | Oct01/Sep10 |
| Union Pacific | UNP | 1.9 | 1.42/1.38 | Q | Sep30/Aug31 |
| Wells Fargo | WFC | 2.3 | .50/.45 | Q | Sep01/Aug07 |
| Wingstop | WING | 0.9 | .33/.30 | Q | Sep05/Aug15 |
| Zions Bancorp | ZION | 2.6 | .48/.45 | Q | Aug20/Aug13 |
| **Reduced** | | | | | |
| AllianceBernstein | AB | 9.5 | .82/.83 | Q | Aug27/Aug12 |
| Willis Lease Finance | WLFC | 2.2 | .133/.13333 | Q | Aug21/Aug11 |
| **Initial** | | | | | |
| Columbia Financial | CLBK | 1.9 | .05 | | Aug26/Aug12 |
| **Stocks** | | | | | |
| K Wave Media | KWM | | 1:30 | | /Aug03 |
| Lexaria Bioscience | LEXX | | 1:15 | | /Aug03 |
| Li Bang International | LBGJ | | 1:200 | | /Aug03 |
| Rush Enterprises A | RUSHA | | 3:2 | | /Sep01 |
| Rush Enterprises B | RUSHB | | 3:2 | | /Sep01 |
| Sports Ent Gaming Glbl | SEGG | | 1:7 | | /Aug03 |
| TOP Financial Group | TOP | | 1:5 | | /Aug03 |
| Wetour Robotics | WETO | | 1:100 | | /Aug03 |
| **Foreign** | | | | | |
| Acadian Asset Management | AAMI | 0.5 | .10 | Q | Sep25/Sep11 |
| AerCap Holdings | AER | 0.9 | .40 | Q | Sep03/Aug12 |
| Barclays ADR | BCS | 1.6 | .31341 | SA | Sep15/Aug07 |
| Brookfield Infr Pfd. A13 | BIPpA | 7.4 | .32031 | Q | Sep15/Aug31 |
| Brookfield Infr Pfd. A14 | BIPpB | 7.4 | .3125 | Q | Sep15/Aug31 |
| Brookfield Infrastructure | BIP | 4.4 | .455 | Q | Sep29/Aug31 |
| Cdn Pacific Kansas City | CP | 0.7 | .1912 | Q | Oct26/Sep25 |
| Cenovus Energy | CVE | 1.1 | .15696 | Q | Sep29/Sep15 |
| Centerra Gold | CGAU | 1.2 | .04994 | Q | Sep02/Aug19 |
| CGI Cl A | GIB | 0.6 | .12129 | Q | Sep18/Aug14 |
| Core Laboratories | CLB | 0.4 | .01 | Q | Aug31/Aug10 |
| Del Monte | DMC | 4.0 | .30 | Q | Sep04/Aug12 |
| Diana Shipping | DSX | 1.7 | .01 | Q | Sep11/Aug21 |
| Emera | EMA | 3.7 | .52264 | Q | Aug17/Aug03 |
| Enbridge | ENB | 4.9 | .69204 | Q | Sep01/Aug14 |
| First Majestic Silver | AG | 0.4 | .0152 | Q | Aug31/Aug14 |
| Fortis | FTS | 3.0 | .4566 | Q | Sep01/Aug19 |
| Garrett Motion | GTX | 1.0 | .08 | Q | Sep15/Sep01 |
| Gildan Activewear | GIL | 1.8 | .249 | Q | Sep14/Aug20 |
| Grupo Aval Acciones ADR | AVAL | 2.5 | .01324 | M | Oct08/Sep30 |
| Grupo Aval Acciones ADR | AVAL | 2.5 | .01324 | M | Nov10/Nov02 |
| Grupo Aval Acciones ADR | AVAL | 2.5 | .01324 | M | Dec08/Nov30 |
| Grupo Aval Acciones ADR | AVAL | 2.5 | .01324 | M | Jan11/Dec31 |
| Grupo Aval Acciones ADR | AVAL | 2.5 | .01324 | M | Feb08/Jan29 |
| Grupo Aval Acciones ADR | AVAL | 2.5 | .01324 | M | Mar08/Feb26 |
| GSK ADR | GSK | 3.4 | .45152 | Q | Oct08/Aug14 |
| Haleon ADR | HLN | 1.9 | .06069 | SA | Sep17/Aug14 |
| Hudbay Minerals | HBM | 0.1 | .00713 | Q | Sep25/Sep08 |
| ING Groep ADR | ING | 3.1 | .38933 | SA | Aug17/Aug10 |
| INVESCO | IVZ | 2.9 | .215 | Q | Sep02/Aug14 |
| Kinross Gold | KGC | 0.7 | .04 | Q | Sep03/Aug20 |
| Navios Maritime Ptrs | NMM | 0.3 | .06 | Q | Aug13/Aug10 |
| Nomad Foods | NOMD | 5.7 | .17 | Q | Aug27/Aug11 |
| Pembina Pipeline | PBA | 4.2 | .52442 | Q | Sep29/Sep15 |
| Perrigo | PRGO | 11.4 | .29 | Q | Sep15/Aug28 |
| Primo Brands | PRMB | 2.1 | .12 | Q | Sep08/Aug24 |
| RenaissanceRe Hldgs | RNR | 0.5 | .41 | Q | Sep30/Sep15 |
| RenaissanceRe Pfd. F | RNRpF | 6.9 | .3594 | Q | Sep01/Aug31 |
| RenaissanceRe Pfd. G | RNRpG | 6.9 | .2625 | Q | Sep01/Aug31 |
| Rio Tinto ADR | RIO | 4.8 | 2.11 | SA | Sep24/Aug14 |
| Safe Bulkers | SB | 3.8 | .075 | Q | Aug26/Aug13 |
| Scorpio Tankers | STNG | 2.3 | .45 | Q | Aug31/Aug17 |
| Seanergy Maritime Hldgs | SHIP | 8.0 | .35 | Q | Oct09/Sep25 |
| Shell ADR | SHEL | 3.2 | .7812 | Q | Sep21/Aug14 |
| Smurfit Westrock | SW | 3.9 | .4523 | Q | Sep10/Aug14 |
| TC Energy | TRP | 3.7 | .62605 | Q | Oct30/Sep29 |
| TechnipFMC | FTI | 0.3 | .05 | Q | Sep02/Aug18 |
| TFI International | TFII | 1.4 | .47 | Q | Oct15/Sep30 |
| Titan America | TTAM | ... | .04 | Q | Oct09/Oct01 |
| Transalta | TAC | 1.3 | .04994 | Q | Oct01/Sep01 |
| Triton Intl Pfd. A | TRTNpA | 8.2 | .53125 | Q | Sep15/Sep08 |
| Triton Intl Pfd. B | TRTNpB | 7.9 | .50 | Q | Sep15/Sep08 |
| Triton Intl Pfd. C | TRTNpC | 7.5 | .46094 | Q | Sep15/Sep08 |
| Triton Intl Pfd. D | TRTNpD | 7.6 | .42969 | Q | Sep15/Sep08 |
| Triton Intl Pfd. E | TRTNpE | 7.6 | .35938 | Q | Sep15/Sep08 |
| Triton Intl Pfd. G | TRTNpG | 7.9 | .46875 | Q | Sep15/Sep08 |
| United Maritime | USEA | 11.9 | .10 | Q | Oct09/Sep25 |
| Vermilion Energy | VET | 2.2 | .09631 | Q | Sep29/Sep15 |
| Wetouch Technology | WETH | ... | .04 | | Sep30/Aug17 |
| **Special** | | | | | |
| Community Trust Bancorp | CTBI | 2.7 | .06 | | Oct01/Sep15 |

Note: Dividend yields as of 3:30 p.m. ET

Sources: FactSet; Dow Jones Market Data

**KEY: A: annual; M: monthly; Q: quarterly; r: revised; SA: semiannual; S2:1: stock split and ratio; SO: spin-off.**

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# Tech Giants Spotlight Volatile Month

## AI concerns, the Iran war and the Federal Reserve whipsawed U.S. stock market

By Shradha Dinesh And Sam Goldfarb

**FRIDAY'S MARKETS**

A surge in Amazon.com stock Friday gave the Nasdaq enough momentum to obscure Apple's slump.

Beneath the surface of the Nasdaq composite's 1% gain was a tug of war between Apple stock, which fell 7.4%, and Amazon's which surged 15%.

The iPhone maker lost $357.8 billion in market capitalization, its largest one-day market cap decline on record and the third-largest of any U.S. company. The post-earnings slide, Apple's largest since 2014, followed company forecasts for its September quarter that fell short of Wall Street's expectations.

But Apple's move was offset by a 15% surge in Amazon.com stock following that company's report of accelerating cloud-computing sales. That rally handed the cloud provider and retailer its largest market-cap gain ever. The sharp moves at the two tech giants pulled indexes in opposite directions. The S&P 500's tech sector, which includes Apple, ended the day 0.5% lower, while the consumer-discretionary sector, which includes Amazon, surged 6.1%. Overall, the S&P rose 0.7%, while the Dow industrials advanced 0.5%, or 277 points.

Friday's gains were enough to push the Dow into positive territory for the month. The blue-chip index added 0.3% during July, while the S&P 500 edged lower 0.1% and the Nasdaq slipped 3.2%. All three gained 1% or more for the week.

July has been a turbulent period for stocks in which AI concerns, the Iran war and the Federal Reserve whipsawed markets. Worries about the cost of AI investment and concerns the spending won't yield the expected blockbuster profits sparked sharp swings in some stocks over recent weeks.

"It's like being on a whale-watching trip. Everybody rushes to the side of the boat where there's a whale, then rushes back to the other side when the whale swims under the boat," said Steve Sosnick, chief strategist at Interactive Brokers.

Some investors saw a relief rally at play Friday after AI-focused investment firm Situational Awareness finished selling the bulk of its holdings. In South Korea, the AI-fueled Kospi index jumped 18%. The volatile benchmark had plunged in recent weeks after rapid gains earlier this year.

The Fed added significant pressure to markets this past week. Treasury yields extended recent gains on Friday after three central bank officials explained why they cast dissenting votes in favor of raising interest rates this week. The yield on the 10-year U.S. Treasury note rose to 4.743%, its highest level since January 2025. The 30-year yield rose to 5.274%, a new 19-year high, after the sharpest one month rise since 2024.

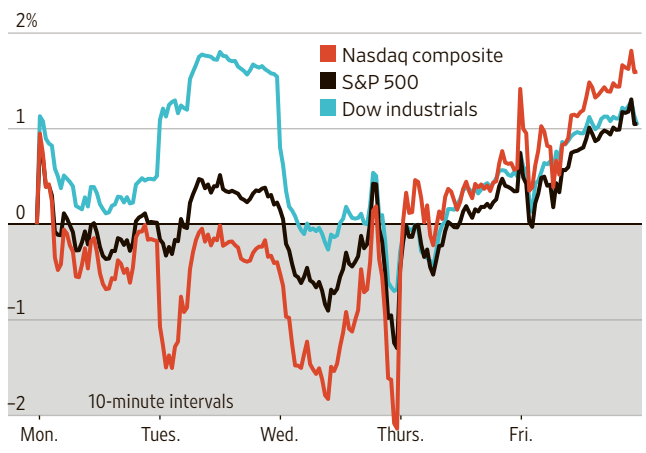
The pressure on bonds was different from Wednesday, when investors dumped longer-term Treasurys out of concern that Fed Chairman Kevin Warsh might be reluctant to raise interest rates if inflation persists. On Friday, yields climbed across maturities as investors dialed up bets on a near-term rate increase.

Amazon's strong earnings meanwhile provided a boost to battered AI hyperscaler bonds. The extra yield, or spread, investors demand to hold its 6.1% bonds due in 2056 over Treasurys dropped to 1.1 percentage point from 1.23 percentage point Thursday, according to MarketAxess.

Bonds backed by other hyperscalers also rallied relative to Treasurys, including those issued by Meta Platforms, Alphabet and Oracle. Investors have been demanding higher yields to hold those bonds in recent weeks amid increasing concerns over how much the companies will borrow and spend to fund chip purchases and the construction of data centers.

"These companies are not stupid. They're spending even more money because it's incredibly profitable to increase capacity," said Chris Grisanti, chief market strategist at MAI Capital Management. "I said to our professionals, 'Look, if you were running a business that was capacity constrained and had really high margins, you would beg, borrow and steal to expand that business.'"

**Index performance this past week**




Source: FactSet

# Electronic Bond Trading Underpins ICE Deal

By Alexander Osipovich

Intercontinental Exchange, the owner of the New York Stock Exchange, has made headlines by investing in buzzy areas such as prediction markets and crypto.

This past week, ICE showed it is still excited about the less revolutionary business of bond trading.

With its $6 billion acquisition of MarketAxess, Atlanta-based ICE is putting another pile of chips on its bet that the market for trading bonds will keep going electronic, following in the path of other asset classes where sweaty Wall Street traders shouting out prices have been replaced by screen-based trading tools.

## Bonds go electronic

Historically, it has been much easier to create an electronic market for stocks than for bonds. While a company will typically issue one set of common stock that is widely held by investors, it might issue many different series of bonds, with different expirations, which could trade frequently or rarely. The complexity makes it harder for a vibrant centralized marketplace to emerge because trading is spread across many different types of bonds.

Still, electronic trading has gradually taken off in the bond market. It got a notable boost during the Covid-19 pandemic—a time when many other things were going digital—after volatility forced traders to turn to e-trading platforms like MarketAxess.

Last year, 49% of the market for U.S. investment-grade bonds was traded electronically, up from 20% a decade earlier, according to research firm Crisil Coalition Greenwich. Over the same period, the share of high-yield bonds traded electronically rose to 32% from 6%.

## ICE at the forefront

Intercontinental Exchange, led by its founder and longtime Chief Executive Jeffrey Sprecher, has a history of making astute investments in marketplaces that are undergoing a shift toward electronic trading.

In the 2000s, ICE snapped up a number of futures exchanges with old-fashioned trading floors and turned them into all-electronic markets. More recently, ICE has invested in the plumbing of the U.S. mortgage market, betting that its legacy, paper-based processes are overdue for digital transformation.

Over the years, ICE has done several deals to deepen its presence in the bond market, but its biggest business is in providing fixed-income data and analytics, rather than actually executing bond trades.

With the MarketAxess deal, ICE hopes that combining a big trading platform with its existing data business will make it a ubiquitous player in fixed-income markets.

## Industry pioneer

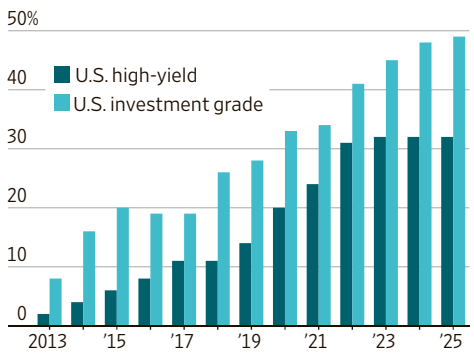
For years, the big names in electronic bond trading were MarketAxess and Tradeweb, with the former specializing in corporate bonds and the latter better known for Treasurys.

But MarketAxess has lagged behind since the early days of the pandemic. Last year it handled 35% of volume in corporate bonds, down from 61% in 2020, with Tradeweb and an upstart rival, Trumid, seizing much of its lost market share, figures from Crisil Coalition Greenwich show.

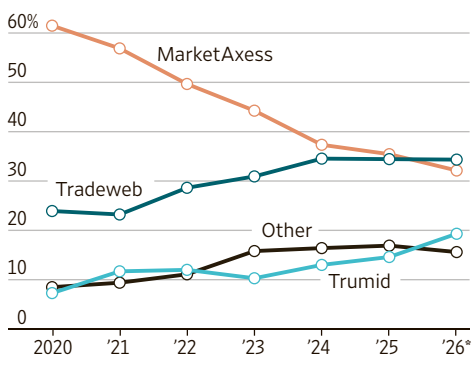
MarketAxess's stock price has slumped since then, falling more than 70% from its peak in December 2020. Now, it is set to become another building block in Sprecher's empire.

"MarketAxess will make our network broader and deeper," the ICE chief said on a Thursday morning earnings call.

**Share of trading conducted electronically, for different kinds of bonds**

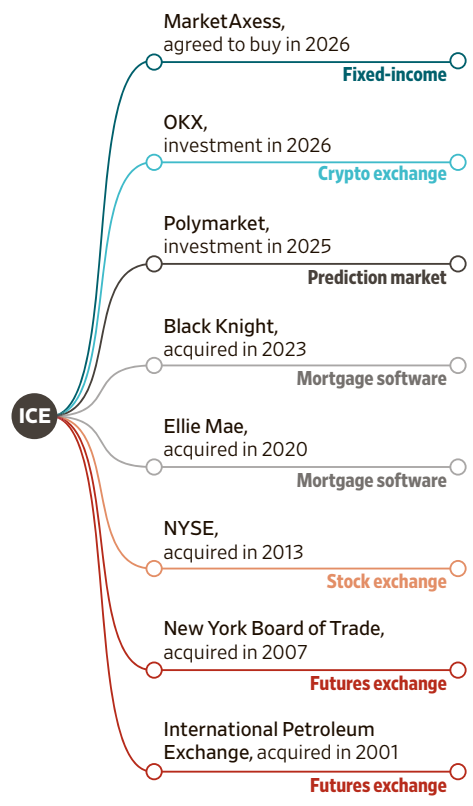



**Market share of trading platforms for corporate bonds**




*Year to date through June

**Intercontinental Exchange, select deals and acquisitions**




Sources: Crisil Coalition Greenwich (share of trading, market share); staff reports (deals and acquisitions)

# Westinghouse Electric Weighs Public Listing

By Colin Kellaher

Nuclear technology and services supplier Westinghouse Electric has confidentially filed a draft registration statement with the Securities and Exchange Commission for a proposed initial public offering of its common stock.

The Cranberry Township, Pa., company, which is jointly owned by Canada's **Brookfield Asset Management** and Cameco, said the number of shares it plans to offer and the price range for the proposed offering haven't yet been determined, adding that the offering is subject to market conditions.

The SEC's confidential IPO filing process lets regulators and companies engage in a back-and-forth dialogue about disclosures as they wrap up the paperwork.

Westinghouse and its owners last year signed an agreement with the Commerce Department that will see the U.S. government arrange financing and facilitate approvals for at least $80 billion in nuclear reactors powered by Westinghouse technology.

Brookfield, which owns 51% of Westinghouse, and Cameco, which owns the other 49%, acquired the company in 2023 in a deal valued at around $8 billion.

ROMAN PILIPEY/AGENCE FRANCE-PRESSE/GETTY IMAGES

**Westinghouse last year signed a financing deal with the Commerce Department for $80 billion in nuclear reactors.**

# Universal Music Shares Slump

By Andrea Figueras And Mauro Orru

Universal Music Group stock suffered its steepest decline since the record label behind Taylor Swift, Lady Gaga, and Bad Bunny went public in 2021, after revenue from subscriptions disappointed investors.

Shares in the world's largest music company plummeted 25% in Amsterdam on Friday, trumping a 23.5% dive on July 25, 2024 that was also triggered by weak revenue growth from subscriptions and streaming.

Those services boomed at the height of the pandemic, when listeners turned to digital platforms to enjoy their favorite artists after coronavirus restrictions brought live concerts to a standstill.

Growth has cooled in recent years, but subscriptions and streaming remain a key focus for investors as they are part of the group's recorded music business, which accounts for the lion's share of revenue.

Universal Music on Thursday posted second-quarter revenue of 3.29 billion euros, equivalent to $3.79 billion, a figure that includes contributions from the acquisition of Downtown Music Holdings that Universal's Virgin Music Group completed in February.

However, analysts and investors are focusing on Universal's underlying performance without the Downtown acquisition.

Revenue from subscriptions grew 6.7%, below consensus of 9.3% and marking a slowdown from growth of 7.9% that Universal recorded in the first quarter.

Meanwhile, adjusted earnings before interest, taxes, depreciation and amortization—Universal's preferred measure of profitability—came in at €664 million without the Downtown acquisition, also below consensus of €703 million.

Bernstein analysts wrote in a note to clients that Universal's second-quarter figures were underwhelming on all fronts and indicated that a potential improvement in streaming subscriptions revenue had been delayed to the second half of the year.

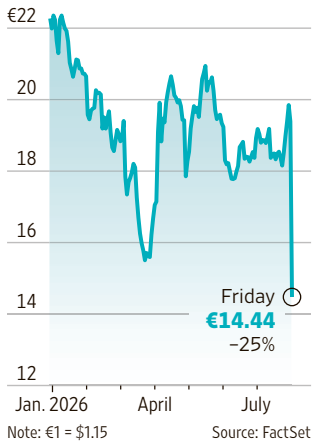
Universal stock is down more than 40% over the past 12 months as investor hopes of a significant rebound in subscriptions and streaming revenue growth never materialized.

Friday's share rout came about two months after the company's board unanimously rejected a $65 billion bid from Bill Ackman's Pershing Square Capital, saying the proposal undervalued the group.

The billionaire had sought to get Universal listed in the U.S., saying its stock price had languished due to what Pershing called uncertainty in relation to Bollore's stake in the company, the underutilization of UMG's balance sheet and the lack of a publicly disclosed capital allocation plan.

The record label said in response that it had expanded its €500 million share buyback to €1 billion, and would sell half of its roughly 3% stake in Spotify Technology and channel funds to buy back shares.

**Universal Music Group share price, year to date**




Note: €1 = $1.15 Source: FactSet

# KKR Nears Deal to Buy Device Firm Integer

By Lauren Thomas And Mark Maurer

Private-equity firm **KKR** is near a deal to take medical-device outsourcing company **Integer Holdings** private, according to people familiar with the matter.

The deal, which could come as soon as next week, would value the Plano, Texas-based company at roughly $127 a share, the people said. There are no guarantees a deal will come together.

Integer works with other medical-device companies to design, develop and manufacture critical components. It has a market value of more than $3 billion. Its shares jumped around 20% Friday.

Integer has faced activist pressure from one of its largest shareholders. Irenic Capital Management built a stake of more than 3% in the company and pushed it to refresh its board and consider a sale, the Journal reported in December. The company in April said its board began a strategic review of options, including a potential sale or merger.

KKR, which has roughly $800 billion in assets under management, has invested in several healthcare-technology companies. Some of these portfolio companies include Cotiviti, Infinx and Healthium Medtech.

KKR recently booked its best quarter for asset sales in the firm's history despite the broader industry's mounting backlog of unsold assets.

Health-tech companies often sell stakes to private-equity firms to secure large-scale funding and expand their platforms.

The industry saw a large private-equity deal earlier this year, when Blackstone and TPG took women's-health diagnostics company Hologic private in April in a deal valued up to $18.3 billion, including debt.

# NatWest Raises View On Strong Quarter

By Dominic Chopping

**NatWest** raised full-year guidance and brought forward the date it expects to make an announcement on a new share buyback program as it reported higher earnings and completed the acquisition of wealth manager Evelyn Partners.

The U.K. lender reported a 29% rise in pretax profit to 2.29 billion pounds, equivalent to $3.08 billion, for the second quarter, above a company-compiled consensus of 2.04 billion pounds.

Net interest income–what the company earns on loans minus what it pays on deposits–improved from a year earlier, landing in line with expectations of £3.51 billion, while total income rose 12% to £4.5 billion, outpacing a slight increase in costs.

Chief Executive Paul Thwaite said that deposits, lending and assets under management all continued to grow over the past six months, adding that the bank is well placed to accelerate progress.

"The consistency of our performance, coupled with the completion of our Evelyn Partners acquisition, has given us the confidence to strengthen our guidance for 2026," he said.

The bank now expects total income excluding notable items for the year at around £17.9 billion, including around £275 million from the Evelyn Partners deal. It had previously guided to total income at the upper end of a £17.2 billion to £17.6 billion range.

Full-year operating expenses are now seen at around £8.5 billion, from earlier guidance of around £8.2 billion, while the return on tangible equity is expected at more than 19% from more than 17% previously. It reported a return on tangible equity of 21.0% in the second quarter.

P2JW213000-4-B01200-1--------XA



HEARD ON THE STREET
FINANCIAL ANALYSIS & COMMENTARY

# Ford and GM Again Look to New Sectors

## The automakers have a mixed track record on diversification

**Ford Motor** and **General Motors** are looking beyond cars. If history rhymes, investors could come to regret their wandering eyes. Will this time be different?

In May, Ford's shares surged as much as 45%, adding nearly $23 billion of market value, in the weeks after it formally announced Ford Energy, a grid-scale battery-storage business that will serve the power needs of artificial-intelligence hyperscalers and utilities. Its shares have since moderated, but are still up more than 20% since the Ford Energy launch. The company is also re-entering the defense sector, having recently won a contract to build tactical trucks for the U.S. Army.

GM's shares have climbed 16% since last week's earnings call, when it raised its full-year guidance and provided some details around its own defense and grid-scale battery businesses. On the earnings call, GM Chief Executive Mary Barra said these are opportunities to improve margins and become less cyclical.

Investors might want to keep their expectations in check. These businesses are promising but not proven, and automakers have a checkered history with diversification.

Automakers have good reason to look beyond cars, even if their core business looks decent today. Ford and GM's high-margin sport-utility vehicles are selling well, and both raised their full-year guidance for the second time this year. But they know the good times can't last.

Chinese electric-vehicle makers are a looming threat, even though they are being kept at bay thanks to import restrictions. The long-term picture for traditional autos is bleak: Fewer young people are getting a driver's license, new-car prices are out of reach for many Americans, and cars are lasting a lot longer than they used to. "The industry is in decline," said Tom Narayan, equity analyst at RBC, who added that auto suppliers are also diversifying.

GM Defense's infantry-squad vehicle was on display at the Detroit Auto Show in January.

JIM WEST/ZUMA PRESS

U.S. automakers are finding themselves in a similar situation as they did in the mid-1980s. Back then, the U.S. government temporarily fended off Japanese companies by restricting imports. That, and a booming economy, helped Detroit carmakers rake in profits, which were subsequently funneled into pursuing other businesses.

In the 1980s, Ford bought financial-services companies, including First Nationwide and Associates, believing that these businesses would be more steady sources of revenue. GM bought an information-tech company to help automate its factories and acquired defense manufacturer Hughes Electronics in an effort to make cutting-edge cars. Overall, GM plowed more than $40 billion into its automation push.

But these diversification attempts were unsuccessful. Ford fell behind Japan's engine technology in part because it spent too much money on diversifying instead of focusing on its core business, an analyst argued in a 1990 Los Angeles Times article. GM's plant productivity actually declined over its heavy investment period in the '80s, according to research from Marvin Lieberman and Rajeev Dhawan of UCLA. More recently, Ford and GM took massive write-downs on big investments in electric vehicles.

The bullish argument this time is that Ford and GM aren't spending buckets of money or stepping far from their comfort zone. But the new ventures will do little to move the needle in the foreseeable future.

Ford's grid-scale energy-storage business, for example, involves repurposing its EV battery factory in Kentucky. Doing so will cost $2 billion between 2026 and 2027, about 10% of its total expected capital expenditures over that period. GM's infantry-squad vehicles for the military are based on an off-road truck and are primarily made of commercial off-the-shelf parts. Less is known about GM's separate push into weapons production with Lockheed Martin, but GM has stressed that it plans to invest in adjacent businesses in a capital-efficient way.

These new verticals have much more promising prospects than cars. Defense budgets are rising around the conflict-ridden world. U.S. energy-storage demand is expected to grow at a compound annual growth rate of 38% through 2030, according to Morgan Stanley. At the same time, generous federal subsidies are available for domestically manufactured energy storage. That gives the auto industry a unique advantage: They have excess battery manufacturing capacity, good supply chains and know how to manufacture at scale, according to Andrew Percoco, equity analyst at Morgan Stanley.

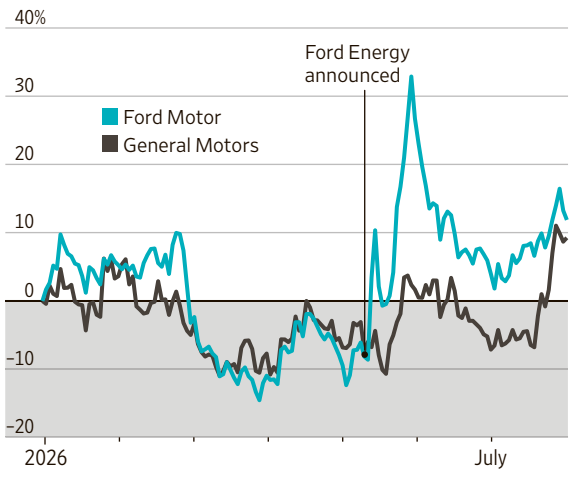
And these sectors come with the potential for much higher multiples. Defense stocks in the S&P 500 trade at 30 times forward earnings. Energy-storage-related stocks such as Fluence Energy and Tesla trade at even more eye-watering multiples. Ford and GM trade at a meager 7.8 times and 6.2 times forward earnings, respectively.

But such a rerating isn't in the cards anytime soon. Neither GM Defense nor Ford Energy is expected to make meaningful profit contributions for some time. The dangers are that U.S. automakers might again be too late to catch current trends, or that it distracts them from their core business.

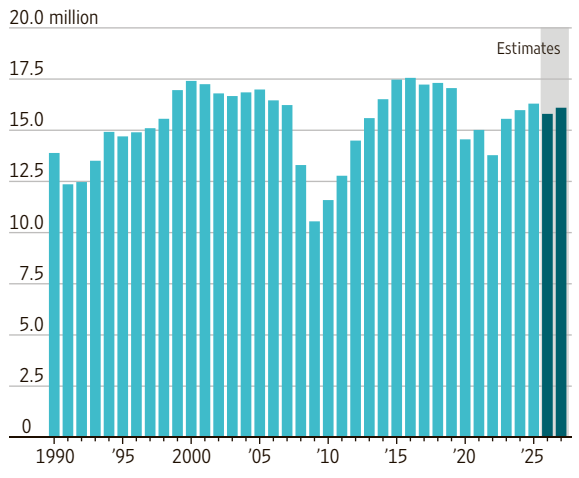
Foresight has never been U.S. automakers' strength. That is one reason investors should view their shiny new pursuits with caution.

*—Jinjoo Lee*

**Share-price performance, year to date**




**U.S. light-vehicle sales**

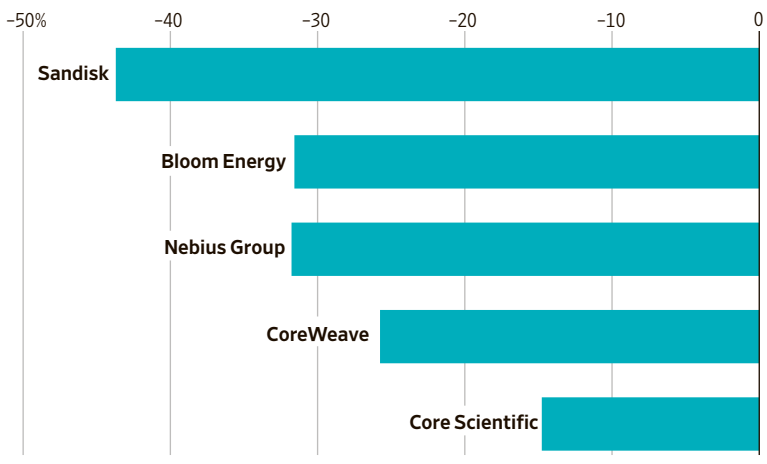



Sources: FactSet (performance); U.S. Department of Transportation (sales through 2024), AlixPartners (estimates)

EXCHANGE

# *Hedge Fund Darling Gets A Lifeline*

**Share-price change for top public stock holdings at Situational Awareness***




*As of March 31
Sources: FactSet; SEC filings

*Continued from page B1*

regulatory filings were pored over like scripture. His sweaters and dark turtlenecks added to his reputation as a reclusive oracle of AI.

But this week, desperate for cash, Aschenbrenner struck a deal late Wednesday to unload his prize—a giant $3.5 billion stake in Anthropic to a group of investors led by Greenoaks and Sequoia Capital. By the morning, he'd backtracked.

Later that day, Aschenbrenner wrote to his investors that the firm had instead sold a portion of its public stocks to pay off the money it had borrowed, allowing it to keep its shares in private companies. His fund was down 67% on the month, he wrote.

"These dynamics are essentially similar to a bank run: vulnerability begetting more vulnerability," he wrote.

In 2024, when Aschenbrenner made a rare public appearance on the podcast hosted by his friend Dwarkesh Patel, he was asked toward the end of a conversation that lasted 4½ hours about his investment plans.

"Presumably, you've thought about the ways in which these kinds of things can blow up," Patel said. "There's a lot of interesting business history books about people who got the thesis right but timed it wrong."

"Obviously," Aschenbrenner said, "not blowing up is task No. 1 and 2."

Aschenbrenner grew up in Berlin and came to the U.S. for college. He started an effective-altruism club and graduated as valedictorian. He went to work at the FTX Future Fund with his future wife, Avital Balwit. They quit with the other staffers as FTX collapsed. Aschenbrenner's time with Bankman-Fried's charitable arm does not appear on his LinkedIn page, where he once listed his nearly perfect LSAT score.

In 2023, he joined OpenAI. While at the company, he began working on the manifesto that he would publish online after he left. Called "Situational Awareness," the essay proclaimed that AI would soon become more powerful than humans and that most of the world hadn't woken up to this reality.

"Right now, there are perhaps a few hundred people, most of them in San Francisco and the AI labs, that have *situational awareness*," he wrote. "Through whatever peculiar forces of fate, I have found myself among them."

He launched his hedge-fund firm shortly after with Carl Shulman, another AI intellectual steeped in the world of effective altruism. Graham Duncan, a well-known investor who organized the Sohn Investment Conference, signed on as an adviser.

Shulman, who had worked at a hedge fund run by Peter Thiel, provided a more professional imprimatur to Situational. The duo charged a steep price for access to the fund. The minimum check size was $25 million for some, and many investors agreed to lock up their money with him for years.

Aschenbrenner was living a charmed life in San Francisco. He had moved into a mansion in the city's patrician Nob Hill neighborhood.

At his firm's headquarters, he hosted Friday happy hours with Patel, the podcaster. The duo worked out of the same office and often invited leading researchers from OpenAI and Anthropic.

Earlier this year, podcaster Tim Ferriss called Aschenbrenner "the Nostradamus of AI," telling listeners that his viral paper was "as close to clairvoyant as you could possibly be."

For a time, Aschenbrenner's bets did look prescient. The firm had temporary stumbles, including a loss in early 2025 after the release of a low-cost AI model from Chinese startup DeepSeek prompted a selloff in Nvidia and other AI-adjacent stocks. Situational quickly recovered, though, and ended the year up.

The fund had gained about 270% after fees this year through May. At that point, it was up more than 1,000% after fees since inception. It had ballooned to well over $20 billion under management, reaching the size of other well-known hedge funds that took decades to build.

Situational attracted an investment from Jane Street, the big quant-trading firm that rarely allocates capital to outside money managers. In recent months, Situational hired more seasoned executives who had worked at places like Goldman Sachs, Sequoia Capital's hedge-fund affiliate and Citadel.

Situational told prospective investors that it would invest up to 30% of the fund in private companies. It would mostly make concentrated bets on AI winners in the stock market across sectors like energy, infrastructure, software and semiconductors. And it would borrow money to amplify positions and hedge by shorting some stocks viewed as AI losers, but it was meant to be heavily exposed to market swings.

Situational's investors include Patrick Collison, left, and his brother John.

DAVID PAUL MORRIS/BLOOMBERG NEWS

Situational quickly signed up a roster of the biggest banks, including Goldman Sachs, JPMorgan, Citigroup and Bank of America, to finance and execute the firm's trades, according to regulatory filings. Earlier this year, the firm was hungry for more borrowed money to boost its buying power and reached out to other banks to try to line up more financing, people familiar with the outreach said.

As recently as early July, everything seemed to be going right. It was chosen to play an anchor role in the standout $27 billion U.S. listing of shares of South Korean chip maker SK Hynix.

For every $1 of capital, Situational would upsize its positions by borrowing an additional $3 to $4, or sometimes more, people familiar with the matter said, well above the leverage used by funds trading such volatile kinds of shares. It also used options to amplify its returns. That meant that even small declines in individual names could have big impacts on Situational's portfolio.

But by the middle of the month, investor sentiment around the AI trade began to shift. Advances in cheaper, open-source Chinese models spooked traders. Situational's lenders began examining their exposure to the firm more closely and kept daily tabs on swings in performance.

Over the past week, traders at major hedge funds and other firms began sharing information about Situational's exposure, with some placing short bets against its top holdings, hoping to profit as Aschenbrenner sold his positions to raise cash, according to two people close to the situation.

The short bets by the rivals weighed on Situational's portfolio. Meanwhile, tech shares like SK Hynix were sliding. Over the three trading days ending Tuesday of this week, hedge funds reduced their positions at a scale not seen in three years, according to Goldman Sachs.

All that leverage resulted in deep losses. As they intensified, banks issued margin calls demanding additional collateral to stand behind their loans of stock. Situational dumped stocks to raise cash and asked investors for additional capital. It met its margin calls as recently as Wednesday.

It was also exploring more drastic ways to shore up its finances. Aschenbrenner and colleagues discussed selling private investments, such as Anthropic, paring its portfolio of public shares or taking other steps, according to people familiar with the matter.

Situational spoke to its banks and other hedge funds about selling a cross-section of its portfolio in one fell swoop.

Citadel, the $71 billion firm founded by Griffin, has a history of stepping in to buy assets from troubled hedge funds, including when it bought assets from hedge funds Amaranth and Sowood nearly two decades ago at fire-sale prices.

Once they became aware of the situation at Situational, Citadel executives reached out to Aschenbrenner, saying that the firm could be helpful if he needed ways to raise cash. With Griffin in London, the Citadel team began negotiating with Aschenbrenner and his team, holding talks that began late in the day on Wednesday and intensified in the evening.

Soon, another hedge fund, Israel "Izzy" Englander's giant Millennium, got involved: Late Wednesday, Millennium executives began negotiating with Situational's team, as well, discussing its own offer for the fund's shares, with Englander weighing in by phone from Europe.

Citadel landed on a deal just before the opening of trading Thursday morning, agreeing to buy the vast majority of Situational's public stock portfolio. Citadel received a discount of more than 10% to the market value of those shares, according to someone close to the matter.

For Griffin and Citadel, the deal proved a coup—at least for a day. Many of the semiconductor and other stocks the fund purchased soared on Thursday, as AI and other shares climbed.

For Aschenbrenner, the deal meant something else: a way to stay alive. Situational is left with a slimmed-down portfolio of stocks and stakes in startups valued at more than $10 billion.

In a letter to his investors Thursday, as wedding guests began to arrive in Carmel, Aschenbrenner said he would focus on changes to his portfolio management and risk teams in the coming weeks.

"I take full responsibility for these events," he wrote.

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KRISTEN NORMAN/AP

**Millennial Face-Off**
Why a Michigan race is a microcosm of the Democrats' crisis **C3**


# REVIEW

CULTURE | SCIENCE | POLITICS | HUMOR

THE WALL STREET JOURNAL. * * * *

Saturday/Sunday, August 1 - 2, 2026 | **C1**


**Ideas of Interest**
John Maynard Keynes's economic philosophy
**Books C7**

Chinese automaker BYD displays a vehicle at the Singapore auto show.

ROSLAN RAHMAN/AFP/GETTY IMAGES

## Move Fast and Regulate Later

# The Paradox of China's Economic Dynamism

In the U.S., regulation can protect incumbents while discouraging entrepreneurs. China gives startups room to grow before cracking down on founders.

By Carl Benedikt Frey

**IN CHINA,** property rights are conditional, contracts can be torn up by the Communist Party, founders can suddenly disappear from public life or be ousted from their own firms, and there is no meaningful recourse against the state.

By every textbook of institutional economics, this should make China a graveyard for enterprise. Instead, the country has produced ByteDance, Shein, BYD and, last year, DeepSeek, a Hangzhou startup whose AI model helped trigger a record $593 billion one-day loss in Nvidia's market value. Last month, Beijing-based startup Moonshot AI announced the release of a fully open-source AI, startling Silicon Valley with its ability to rival U.S. models.

How does a country with such casual regard for the rule of law produce so much dynamism?

The answer is that the rule of law, in China and elsewhere, is not one thing. It has a liberal side—secure property rights, courts that constrain the state—that shields entrepreneurs from arbitrary state power, ranging from selective prosecution to outright expropriation. It also has a regulatory side that can wall off competition, brick by brick, protecting incumbents from challengers who lack a compliance department. America used to be alive to this distinction. It is no longer.

Consider the America of Thomas Edison. In 1876, he built the country's first industrial research laboratory at Menlo Park, N.J., for $2,500, paid for with money earned from his telegraph inventions. Facing nothing like today's environmental review, occupational safety regime or modern product-liability law, Edison promised investors a minor invention every 10 days and a big thing every six months. Within a few years, he had filed hundreds of patents and electrified lower Manhattan. The regulatory environment he worked in was thin.

That world is long gone, and for good reasons.

Take for example DuPont's use of the chemical C8 to manufacture Teflon. By the early 1960s, its own toxicologists knew C8 enlarged the livers of rats; by 1981 it had documented birth-defect concerns among the children of women on the Teflon line; by 1984, it knew the chemical

*Please turn to the next page*

# I Attended a Secluded Getaway for Burned-Out Executives. **It Got Existential.**

A glimpse into why corporate professionals are going on midlife retreats

By Lauren Weber

At an estate nestled in New York's Hudson Valley, a group of high achievers gathered to talk about the sacrifices and disappointments that can come with success.

"You get the title, the money, and it's kind of hollow," a bank vice president shared.

"I'm done waiting every day for the day to be over," said a marketing director.

A hospital executive whose position was scrapped last year shared that he sometimes finds himself imagining a different life: opening a hardware store or becoming a science teacher. "When I think about that, my nervous system relaxes," he said.

The $4,000 retreat—sponsored by a networking organization called Punks & Pinstripes and described as "an exclusive gathering for leaders seeking change"—wasn't your ordinary corporate off-site. The seven attendees, who ranged from their mid-30s to their late 50s, had excelled in lucrative fields like finance, consulting, healthcare and tech. They were consummate problem solvers who had applied that skill to their work lives, often to great effect.

But they had all hit unexpected walls—burnout, breakdowns, disillusionment—that were forcing them to try a different approach.

Middle age has never been a simple stage of life, as the seemingly endless possibilities of youth give way to obligations and the humbling (sometimes brutal) realities of aging. It's gotten even weirder lately.

Longevity influencers are promoting peptide stacks and cold plunges to help people live much longer. The cost of living is pushing retirement later, especially for those supporting adult children and elderly parents.

And AI is forcing us all to ponder: What are we supposed to do with our elongated lives if technology wipes out the jobs that once gave us purpose?

Perhaps fittingly, midlife re-

*Please turn to page C4*

Workshop participants lie on the floor for a sound bath. The author is closest to the window.

PAOLA CHAPDELAINE FOR WSJ

## Inside


BOURDAIN, THE EARLY YEARS

Matt Johnson's new coming-of-age film, 'Tony,' focuses on the globe-trotting chef's life years before anyone knew who he was. **C5**

He Built A Giant

Dick Wood, longtime president, CEO and chairman of beloved convenience chain Wawa, has died. **C6**

MY MONDAY MORNING

Steve Ells, the founder of Chipotle, really likes breakfast—and a good pork shoulder. **C14**

LIFE OF THE PARTY

Young Americans are drinking less. But not Gen X. **C5**

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# The Chinese Paradox: Move Fast and Regulate Later

*Continued from the prior page*

was leaking into the local drinking water.

The Toxic Substances Control Act of 1976 was meant to give the Environmental Protection Agency authority over such chemicals; the chemical industry helped write it, and C8 was grandfathered in. It took 20 years and a class-action lawsuit to force DuPont to settle. Many similar regulations were a response to real harms. But the cumulative effect created a wall. By RegData's count, restrictive terms in the Code of Federal Regulations rose from around 400,000 in 1970 to more than one million by 2020. Each layer thickened the regulatory side of the law, but without strengthening the liberal one.

**Dynamism occurs when newcomers can innovate before lawyers—or regulators—arrive.**

The result has been a shield for incumbents. Bringing a new drug to market in the U.S. (not to mention Europe) takes roughly a decade and can cost north of a billion dollars.

For Pfizer, that entry fee has already been funded. For two founders with a prototype, it is almost disqualifying. Legal infrastructure is a fixed cost, and fixed costs favor scale. No startup can afford to build the compliance department that protects Pfizer. The threat to enterprise in a mature democracy is no longer the whim of governments; it is the weight of procedure.

Clockwise from top: A worker does a quality check on dresses on a production floor at Shein's R&D building in Guangzhou, China; Jack Ma, the founder and chairman of Chinese internet giant Alibaba; and Wang Xing, co-founder, chairman and CEO of Meituan.

CLOCKWISE FROM TOP: GILLES SABRIÉ FOR WSJ; CHARLES PLATIAU/REUTERS; CHONA KASINGER FOR WSJ; BONNIE CASH/PRESS POOL; TYRONE SIU/REUTERS

**CHINA'S DYNAMISM** does not come from the absence of law. It comes from the sequence in which laws are enacted. The Communist Party allows firms to scale in regulatory gray zones, when a sector serves growth, employment or strategic competition. Safety is an afterthought; the rules arrive later, sometimes all at once.

The fintech conglomerate Ant Group built an empire in the gaps between payments, banking and platform regulation before regulators halted its $37 billion IPO in 2020. DiDi, an app that provides ride-hailing and related services, became national mobility infrastructure before its 2021 NYSE listing turned its data into a sovereignty problem; Beijing fined the company $1.2 billion and pulled its apps from the market. ByteDance became one of the world's most powerful recommendation engines before China wrote algorithm-specific rules in 2022. The pattern recurs: Firms scale first; law and politics arrive later, often together. DeepSeek is another recent example. It released its V3 model with reported development costs of $5.6 million. Meanwhile, its consumer app, by third-party estimates, attracted some 22 million daily active users within weeks. Questions about safety, data provenance, copyright and geopolitical risk arrived only after the model had already detonated across the market.

Dynamism occurs when newcomers can innovate before lawyers—or regulators—arrive. But in China, the bill arrives in a different form. In place of compliance departments, Chinese firms invest in political insurance: loyalty signaling, support for party priorities and sensitivity to official moods. Founders appear at centenary celebrations and sign pledges to "common prosperity." The investment is not optional; it's the price of doing business without legal recourse.

Jack Ma forgot that, briefly, in October 2020, when at a financial regulators' summit he said the Chinese banking system operated like a pawnshop. Within days, his record-breaking IPO was suspended; his business empire was soon under sustained attack; and he vanished from public view for months. After Wang Xing of Meituan posted a classical poem targeting the first emperor of unified China, widely read as an oblique criticism of imperial overreach, his company lost more than $25 billion in market value over two days, in an already tense regulatory climate. He resurfaced, conspicuously, at the Communist Party's centenary celebration in Tiananmen Square the following summer.

The cost of arbitrary power shows up in discounted valuations on Chinese stocks, in capital flight, in private-sector confidence that has yet to recover. China produces winners. But credible commitment buys more than champions: It creates a deeper pool of people willing to take long-term risks. It's evident in who chooses to build in America—immigrants have founded more than half its billion-dollar startups, and 60% of its leading private AI firms have at least one immigrant founder.

At left: President Trump with Apple CEO Tim Cook, right, and Cabinet members. Below: Quality assurance on Pfizer samples in Bothell, Wash.

**AMERICA'S** distinctive advantage was always the liberal side of the rule of law: specifically, the types of rules that secure private property, punish anticompetitive conduct and hold the state at arm's length from the firm. That advantage is now being eroded from the top.

The Trump administration has waged a campaign of corporate control, from executive orders barring certain law firms from federal contracts to labeling the AI company Anthropic a "supply-chain risk to national security"—the label previously reserved for firms with ties to foreign adversaries. Although in both cases, the courts ruled against the administration, the mechanism at work is the Chinese one: discretionary state power used to punish disfavored firms and reward compliant ones.

As the regulatory state weakens—some estimates suggest 63% of the Trump administration's 2025 Unified Agenda is deregulatory in intent—the administration has tried to build a parallel system outside the Code of Federal Regulations: a tariff regime of country-specific schedules, presidential proclamations and product-by-product exclusions. Apple offers the clearest illustration. After Trump's tariffs on Chinese imports threatened, according to analyst estimates, to push some iPhone prices above $2,000, Tim Cook called the Commerce Secretary and senior White House officials (while keeping quiet in public) and secured an exemption for smartphones, computers and chips.

Morgan Stanley estimated the carveout cut Apple's annualized tariff burden from $44 billion to $7 billion. Trump told reporters he had "helped Tim Cook...and that whole business." The compliance burden has not so much fallen as migrated—out of the rulebooks and onto the trade schedule, where political discretion prevails.

Whatever the administration's intentions, an underlying economic tension remains, and nowhere does it bite harder than at the frontier. The AI laboratories now under discussion in Brussels and Washington exist because the regulatory environment was thin when they were founded, closer to Edison's Menlo Park than to today's pharmaceutical sector.

Anthropic's recent decision to restrict public access to its most capable model—and the regulatory debate it triggered—is a reminder that some rules will be necessary, and soon. But every rule proposed today should be tested against a simple counterfactual: Had it been on the books a decade ago, would the firm we are now regulating have ever been built?

Such regulations will also, by their nature, favor firms large enough to absorb them. That is not an argument against rules. It is an argument for writing them with new entrants in mind. Although the rule of law remains one of the great achievements of modern civilization, it is not always a protector of competition. Left to drift, it ossifies into a maze navigable only by the already established.

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*Carl Benedikt Frey is an associate professor at Oxford University and the author of 'How Progress Ends.'*

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Rep. Haley Stevens

Abdul El-Sayed

# The Millennial Fight for the Future Of the Democratic Party

## Michigan has become a battleground for two competing visions of a party in crisis

By Charlotte Alter

The Michigan Senate primary is more than just another knuckle fight between moderates and progressives.

It's also a reckoning for the Democratic Party in a swing state it must win to regain its footing.

For most of the primary season, the battle over the party's soul has been intergenerational, pitting older candidates against young, energetic upstarts. This race, however, features two millennial Democrats who have competing visions for the future. The result will show how much the party has changed since 2018 and whom it might nominate in 2028.

After Biden's 2024 campaign implosion, the old guard is under fire. Kamala Harris lost the election, Nancy Pelosi is retiring, Chuck Schumer is facing the wrath of voters and colleagues, and older establishment Democrats are being toppled all over the country.

In purple Michigan, which President Trump won in 2016 and 2024, Rep. Haley Stevens, 43, and Abdul El-Sayed, 41, represent different waves of Democratic insurgency crashing up against each other: She's a pragmatic veteran of the Obama administration who won her seat in 2018 during a historic wave for Democratic women. He's a fiery heir to Bernie Sanders's progressive movement, which is resurgent in the wake of the party's second loss to Trump, which many Democrats believe was of their own making.

"Who has credibility to know what is electable?" asks Amanda Litman, president of Run for Something, which helps young Democrats run for local office. "There is no one in charge."

Their campaigns reflect the prevailing ideologies of the party's dueling wings. El-Sayed is a movement politician, a trained physician and former healthcare official fluent in the world of left-wing media and good at podcasts and social media. He's running on a progressive platform of Medicare for All, abolishing ICE, taxing billionaires, banning corporate money in politics and opposition to Israel. He has won the powerful endorsement of the United Auto Workers.

Stevens is running as a moderate focused on strengthening the Michigan economy, investing in state infrastructure and supporting local manufacturing jobs, a broad tent she hopes will attract independents and even some conservatives. She's emphasizing her track record in Congress (helping pass the CHIPS and Science Act, pushing multiple manufacturing bills) and her work on President Obama's Auto Rescue team that saved 200,000 Michigan jobs. She has the support of Gov. Gretchen Whitmer and congressional leadership. She's a strong defender of Israel, and the American Israel Public Affairs Committee has bought tens of millions of dollars worth of ads to support her campaign, which El-Sayed brings up every chance he gets.

At a recent debate, Stevens threw shade at El-Sayed's stint as a podcaster and coziness with progressives who had "come in from the coasts" to campaign for him. "We don't need a celebrity senator, we need somebody who's committed to six years of hard, unglamorous work," she said. Sometimes winning the election and winning the internet are the same thing. Sometimes they're not.

Put another way, having the support of Democratic primary voters is one thing. Beating a Republican in a swing state is another.

El-Sayed leads Stevens by double digits in primary polling. But a recent survey commissioned by the Michigan Education Association and Business Leaders for Michigan showed El-Sayed losing to Republican Mike Rogers in the general by 10 points, with Stevens winning by slim margins in November. In that poll, independent voters favored Rogers over El-Sayed by more than 27 points.

"Voters are pissed off, and they're looking for their candidates to channel their rage, and at the moment, the DSA and more progressive wing of the party has been more successful at harnessing that pissed-off energy," says Mari Manoogian, a former Michigan state representative who now runs the Next 50, a national group supporting pragmatic next-generation Democrats, speaking of the Democratic Socialists of America.

"I don't think voters are looking for progressive vs. moderate ideas—I think it's a vibe."

**I COVERED BOTH** these candidates during the last Democratic insurgency, in 2018. Then, Stevens won her seat in Congress and El-Sayed lost to Whitmer in the Democratic gubernatorial primary.

The mood was different. Hillary Clinton had won the popular vote but lost the presidency, which made Trump seem less like a failure of Democratic Party establishment and more like a fluke. The 2017 Women's March had inspired a grassroots anti-Trump resistance across the country, largely focused on helping Democrats take back Congress in 2018. Democrats won the House and elected a new crop of leaders—some lefty (the Squad), others moderates who then went on to win statewide office (Elissa Slotkin in Michigan, Abigail Spanberger in Virginia and Mikie Sherrill in New Jersey).

Stevens, a first-time candidate, canvassed cul-de-sacs near her childhood home, complimenting voters on their cars. She flipped a formerly GOP seat in Michigan, where Democratic women saw major wins up and down the ballot.

That political climate was less favorable to a progressive firebrand like El-Sayed. He ran on Medicare for All, held big rallies with Sanders and Alexandria Ocasio Cortez—newly minted as a progressive superstar after her primary win—and attempted to paint his opponent as a tool of corporations and the Democratic establishment. El-Sayed lost by more than 20 points; Whitmer carried every county in the primary. Almost a decade later, Stevens and El-Sayed are running on the same policies, with most of the same strategies, in the same state. But even if they haven't changed much, their party—and the country—has changed around them.

> 'Who has credibility to know what is electable? There is no one in charge.'
>
> AMANDA LITMAN
> President of Run for Something

**LORI GOLDMAN IS A KIND** of avatar for how much the Democratic grassroots has changed in the Trump era. During the 2016 election, she started Fems for Dems, a group of Michigan organizers who at first focused on electing women Democrats. She was part of the 2018 surge that propelled Stevens, Slotkin and Whitmer into office.

Eight years later, Goldman's group of roughly 7,000 Michigan volunteers is more focused on fighting the Democratic establishment. This year, it voted to endorse El-Sayed.

The 2024 election was a breaking point for her. "If that's not a referendum on how weak and out of touch the Democratic party is, then I don't know what is," she says. "It's not women that are going to save us, it's not the Democratic party that's going to save us, it's going to be progressive values that save us."

That disenchantment mirrors the way the Democratic base has fractured over nearly a decade of Trumpism. Last year, 62% of Democrats said they thought party leadership should be replaced, according to a Reuters/Ipsos poll. A 2025 Pew survey found that 67% of Democrats felt frustrated with their own party, mostly for not fighting hard enough against the Trump administration; only 29% said the party made them proud.

In 2018, Democratic voters seemed aligned with party leadership in supporting Democrats who could beat Republicans. Now, there's a vast faction demanding Democrats who can *remake* the Democrats. One of the sharpest dividing lines among Democrats vying for power is the Israel-Hamas war. In Michigan, which has a large and highly concentrated Muslim population, the issue has inflamed the race.

El-Sayed, who would become the first Muslim senator if he wins, was an early supporter of the Uncommitted movement, which resulted in 13% of voters withholding their votes in the 2024 Democratic primary in protest of Biden's policy toward Israel and Gaza. (El-Sayed quickly endorsed Harris when she became the nominee.) Some Democrats believe Harris lost Michigan because of Gaza, intensifying the issue's status as a litmus test for Democrats in the state and across the country.

"I think a lot of people are saying that the establishment version of politics lost us the election in 2024. Folks are not interested in doing that again," says Michigan state Sen. Darrin Camilleri, who endorsed El-Sayed. "Now, folks are looking for something completely different to try to fight back against this new version of Trumpism."

**ANTI-ESTABLISHMENT ANGER** has helped propel far-left progressive candidates, who have long attacked the Democratic Party as feckless and out-of-touch, and led to major victories for the Democratic Socialists of America.

But it's not yet clear if Democratic voters have truly moved to the left or if they're just frustrated with the status quo. Many of the DSA wins have happened in deep blue districts.

That's crucial for Stevens and El-Sayed. They aren't running in Mamdani's New York. Democrats currently hold both Michigan Senate seats, but losing one could vaporize any possibility of a Democratic Senate majority. Trump won this state twice, and Slotkin won last cycle by fewer than 20,000 votes.

"At this very critical time, I know she can beat Mike Rogers in the general election," recently retired Michigan Sen. Debbie Stabenow said in her endorsement of Stevens. "The stakes have never been higher."

No matter what happens, the results in November will determine how Democrats evaluate potential 2028 hopefuls.

If El-Sayed wins the primary and beats Rogers, it will be taken as proof that a far-left progressive can win a presidential swing state. If he loses to Rogers, it will be treated as evidence Democrats need to straddle the political center to win back the White House.

If Stevens wins the primary and wins against Rogers, it will validate the conventional wisdom that the path to victory in the Midwest goes through "normie" moderate voters. If Stevens loses against Rogers, it will fuel progressive conviction that moderate politics (and support of Israel) is no longer the safer, more electable choice.

For years, progressives have been telling themselves and anyone who would listen that swing state voters are more progressive than they seem and that left-wing populist ideas can beat GOP talking points even outside deep-blue strongholds. If El-Sayed wins the primary, Democrats are about to find out.

*Charlotte Alter, a former Time correspondent, is the author of "The Ones We've Been Waiting For: How a New Generation of Leaders Will Transform America."*

U.S. Senate candidate Mike Rogers, a Republican, at an event in Milford, Mich., in July, below. The Women's March in Washington, D.C., in 2017, bottom.

BLOOMBERG NEWS; REUTERS

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# *Midlife Corporate Retreats Go Existential*

*Continued from page C1*

treats have become something of a cottage industry within the broader umbrella of wellness tourism, described as a nearly $1 trillion market by the Global Wellness Institute, a nonprofit that tracks wellness trends.

The gatherings can revolve around topics such as spirituality, career transitions or even menopause. Some programs run online and cost a few hundred dollars. Others feature high-end hotels, organic meals and access to celebrity teachers, with price tags in the thousands.

Greg Larkin, one of the organizers of the Hudson Valley retreat for corporate professionals, said his clients were the type of people who were seeking "a sanctuary from the 'crush-it summit.' " ("That's where you ask a senior leader how they're doing, and they say, 'I'm f—ing crushing it, man,' " Larkin clarified.)

A former Wall Street analyst and entrepreneur, Larkin started Punks & Pinstripes in New York City in 2022 as a community for people who had scaled the mountain of white-collar success, found the view uninspiring and wanted to redefine achievement on their own terms. He began with a series of intimate dinners and group-coaching sessions and has since expanded to executive retreats.

I'd planned to attend the gathering as an observer, a journalist who covers careers and management, comfortable that my notebook and pen separated me from the others. But I found that I was not immune to being introspective about middle age.

**OVER TWO DAYS** at Lundy Farm, a quiet-luxury manor seemingly lifted from a Restoration Hardware catalog, the other attendees and I meditated each morning, made pinch pots out of clay, foraged for wild nettles and garlic mustard in the woods and drew analogies between our own lives and the natural world around us during the retreat's activities. Soil was a metaphor for the growth we were incubating in our lives. Moss creates its own microclimates, just like we could build happy, functional teams, even in the midst of corporate dysfunction.

During group activities, cocktail hours and meetings in small cohorts of two or three attendees and facilitators, participants sought insight and support from each other about starting new businesses and career shifts. But often, the big issues they seemed to be grappling with reflected deeper, much more existential questions.

Julie Holland, a psychiatrist who joined us for a first dinner of roasted salmon, millet pilaf and asparagus, told the group that it was common for high achievers to experience confusion and emptiness alongside personal success. She said she once had a patient who won a Pulitzer Prize, then immediately sank into a deep depression.

"It's like the song, 'Is That All There Is?' " she said.

Danielle Larish, a 41-year-old consultant who has worked across a dozen sectors, told me on the first night: "I'm good at what I do, and it's f—ing draining." She said she usually comes into situations where things are going disastrously wrong and helps turn them around, but she's tired of walking into companies, talking to executives and employees, prescribing fixes "and having them not act on any of it." Corporate America, she said in a small group session of three people, is full of toxic behavior—scapegoating, backdoor machinations and leaders clinging to whatever power they have at the expense of good ideas.

A week before the retreat, she realized she wanted to take her management philosophy and turn it into a book or other project. But she was unsure how to begin, naming some obstacles, including self-doubt and frustration over ideas that never got put into practice at the companies she worked with.

> 'I'm good at what I do, and it's f—ing draining.'
>
> DANIELLE LARISH
> A 41-year-old consultant

The other two members of her breakout group asked Larish questions and offered suggestions. "How hard would it be to prototype two or three approaches to the project?" asked Kellye Rogers, a technology executive who started her own AI consulting firm last year.

In another small group, the hospital executive was talking about a different kind of crossroads. He had an Ivy League degree, earned his M.D. and Ph.D. at world-class institutions and ascended to the C-suite of a prestigious organization. Then, last year, organizational restructuring led to the elimination of several teams, including his. (He spoke to the Journal anonymously because he was not authorized to speak about the circumstances of his departure.)

"Nobody looks better than me on paper," he said. "I went to fancy schools, worked at the best places. And somehow I just got cast aside."

He said he'd led a charmed life until his 40s, when a divorce unsettled his sense of having cruised along on luck, intelligence and hard work. And then his job disappeared. "I was woefully underprepared in a blissful and terrible way," he said.

He had also just started on cholesterol drugs and undergone his first colonoscopy. "If it was all over now, do I feel like I did what I wanted to do? And if not, what would that be?" he mused.

He was talking to an AI startup about coming aboard. "If it was five years ago, I would've done it in a second," he said. "Now it feels like a young person's game."

The Canadian psychoanalyst and management consultant Elliott Jaques is often credited with coining the term "midlife crisis" in 1965.

But the cliché of a middle-aged man who throws away his wife and family car for newer, sexier models flattens and simplifies the concept.

In Jaques's formulation, articulated in the International Journal of Psychoanalysis, a midlife crisis referred to the harrowing recognition of one's own mortality, a recognition that could lead to a decisive change in the quality and maturity of one's work.

"The paradox is that of entering the prime of life, the stage of fulfillment, but at the same time, the prime and fulfillment are dated," he wrote. "Death lies beyond."

Jaques posited that middle age compels people to lean in to "the tragic, reflective and philosophical." Such "contemplative pessimism," he suggested, could lead to a better life—and a deepening of genius, as seen in the later works of artists like Bach and Shakespeare.

At the retreat, no one was writing timeless concertos or the world's greatest tragedies.

But there was vulnerability and honesty.

I found myself surprisingly moved by the meditative activities and programming, even if it felt silly at first to be constructing a mandala with leaves and twigs in the middle of a workweek.

**ONE EVENING,** Emily Kagan, a poet and healthcare executive who was one of the facilitators, passed around markers and colored sheets of origami paper. She instructed us to write down things we were "done with"—objects and emotions we were ready to jettison from our lives.

We went around the long dinner table, illuminated by a fireplace, and read what we'd scribbled. Among the baggage we carried: Impostor syndrome. An ex-wife's shoes. Old identities. Sunday scaries. Shame. Never having a sense of enoughness.

Later, Kagan asked us to write a letter, five years in the hypothetical future, telling someone what we love about our lives. I chose my teenage son.

Suddenly, articulating what I saw—the creative writing projects I hoped to tackle, my pride at seeing my child launch into adulthood—I found myself stifling a sob. At the age of 55, my beginning is long over, and hopefully, my end is decades away. But for perhaps the first time, I could feel a distinct, emotional embrace of the middle.

On the last day of the retreat, we put the finishing touches on our pinch pots.

My creation resembled a bulky hamantaschen more than a talisman for a life-changing epiphany. But the clay was dry and there was a colorful palette of pigments in front of me. I began to paint.

**Scenes at Lundy Farm, from top: bikes for the riding; organizer Greg Larkin, left, and participant Karen Root; a sauna; Renee Baumann guides a foraging walk; the grounds; and pinch pots dry in the sun.**

PAOLA CHAPDELAINE FOR WSJ

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# Young People Are Drinking Less. But Gen X Still Wants to Party.

Bars are courting the last reliable generation of alcohol-consuming partyers, with nostalgia theme nights and events that end way before midnight

By Will Groff

On a recent Friday night, Philadelphia's Trestle Inn welcomed a crowd for a Prince-themed dance party. Revelers rocking purple eye shadow and "love symbols" slurped down whiskey sours and lit up the dance floor while a go-go dancer gyrated to hits like "Let's Go Crazy" and "1999." Almost everyone was over 50. Many of them were drinking. And it was only 7:30.

"We realized that the younger generations weren't drinking as much, and these early parties were a way to get older folks in the door," said Ian Cross, the bar's owner. "They spend money on cocktails, they drink, they have fun."

Bar owners have a new favorite customer: the Gen Xer.

As drinking among younger Americans hit historic lows in 2024, those born roughly between 1965 and 1980 largely maintained their drinking habits, according to a 2025 long-term study from the University of Michigan that examined substance use among people between 19 and 65 years old. They want to party, and they want to do it on their own terms. Watering holes are programming their calendars accordingly, with nostalgia theme nights and parties that end way before midnight.

"I've noticed it's the same people going up to the bar, and it's always the older folks. The young people come in and go straight to the dance floor," Rob Kulathinal, an evolutionary geneticist in his 50s, said about his experience going out in Philly. "On the plus side, it's never been easier to get a drink."

Sandwiched between the larger (and louder) boomer and millennial cohorts, many Gen Xers consider themselves a "forgotten generation." The prototypical Gen Xer is resilient and cynical, a "latchkey kid" turned disaffected slacker, raised on MTV and limited parental supervision. "Gen X: We straight up raised ourselves," reads the caption on one popular internet meme, a photo of an unhelmeted child on a rickety-looking bicycle popping a wheelie.

For Dina Cirillo Strachan, a 56-year-old high school counselor and Trestle Inn regular, the lack of helicopter or "snowplow" parents made for a thrilling childhood—and plenty of opportunities for underage drinking in adolescence.

Philadelphia's Trestle Inn hosts Gen X-friendly parties.

"We'd meet under the bleachers—there was always a gathering place. Whether it was announced or unannounced, you could probably show up with a six-pack," said Strachan. She compared her own freewheeling youth to that of her Gen Z children, whose "third spaces" are largely online and who are coming of age under mass social-media surveillance—the ultimate buzzkill.

> 'Gen X drinks more... consistently over the course of a night.'
>
> ZACK BUSH
> Co-founder, Mad Room Hospitality

"I can track my kids' location every second of the day," she said. "There's just not the same opportunity."

David Jernigan, a professor at the Boston University School of Public Health, said the alcohol industry marketed heavily to young people in the 1980s and '90s, using products like wine coolers and sugary alcopops as boozy "training wheels" to draw in Gen Xers.

"It's never too late, but—and the industry knows this—drinking patterns, like so many other things, are set in adolescence into the early 20s," Jernigan said.

At the time, the industry was benefiting from murky public-health messaging around drinking. In 1991, "60 Minutes" aired a segment exploring the so-called French paradox, suggesting that the reason why French people have lower rates of heart disease—despite having less healthy lifestyles overall—is because they drink so much wine. Supermarket sales of popular red wines spiked by as much as 45% in the weeks following the broadcast, according to the Gomberg-Fredrikson report, which monitors U.S. wine sales. Observational studies in the ensuing years seemed to support the idea that moderate drinking has health benefits.

Conversely, Gen Z and younger millennials have entered adulthood amid mounting evidence of alcohol's negative impacts on the body. Following a series of studies throughout the 2010s that largely debunked the French paradox, various health organizations including the WHO have issued guidance suggesting that the healthiest option is simply not to drink at all. Last year, the U.S. surgeon general called for alcoholic beverages to carry cancer warnings, sending shares of beer and spirits companies tumbling.

"There has definitely been a wellness narrative that has not worked in the industry's interest," Jernigan said.

To be sure, Gen Z is not abstaining from alcohol altogether. In a survey published by the market research firm IWSR in July, 74% of Gen Z respondents from around the globe reported having consumed alcohol in the first half of 2026.

"Gen X drinks more intentionally and more consistently over the course of a night," said Zack Bush, co-founder of Mad Room Hospitality, which operates several venues including the storied Ball & Chain nightclub in Miami. "They're showing up earlier and staying longer."

At the Detroit-area Magic Bag, Gen X-friendly events generate roughly 25% more in alcohol sales than events that are popular with Gen Z, said Andrew Bochenek, the live-music venue's general manager.

"As a business, you want people that are drinking more per head," Bochenek said, which is why the Magic Bag has been hosting fewer indie-rock shows—the venue's bread and butter for much of its 30-year history—and more nostalgia-driven theme nights. Their summer slate includes a "Mega 80s" night and two '80s vs. '90s parties on top of tributes to Duran Duran, Tool and Talking Heads. "The coolness factor kind of goes out the window," he joked.

The Magic Bag has also played host to the Earlybirds Club, a dance party "for ladies who have s— to do in the morning." These throwback parties take place from 6 to 10 p.m. and are immensely popular with older millennials and Gen Xers. Since their inaugural event in Chicago in early 2024, Earlybirds has spread to over 50 cities in the U.S. and Canada.

Randy Maupin, the 51-year-old general manager at the Cat Club and the Eagle in San Francisco, said his generation has not been immune to the growing sobriety movement. Still, he says, even teetotaling Gen Xers still uphold a certain bar etiquette.

"We have a great support system with our older clientele," said Maupin. "Even if they don't drink, they'll buy water or mocktails just because they want to support and keep and maintain our business. The younger generation? Not so much. They'll come in a big group and only get a couple drinks and ask for water cups."

IAN CROSS

# 'Tony' Shows Anthony Bourdain Before the World Knew His Name

Chef Eric Ripert discusses his cameo in the movie—and why he participated

By Esther Zuckerman

**THE ANTHONY BOURDAIN** who is depicted in the new movie "Tony" isn't the Anthony Bourdain who chef Eric Ripert knew over more than a decade of friendship.

"Anthony in the movie lies a lot," Ripert said. "I never saw Anthony lying during all the years that we were together as friends. He was very honest."

Anthony Bourdain, in 1976

But "Tony" isn't a portrait of Bourdain as the venerated television host or the author of the bestselling 2000 book "Kitchen Confidential," in the midst of his stint at Brasserie Les Halles in Manhattan. It doesn't cover Bourdain's worldwide fame or his death by suicide at 61.

The Tony in the movie, played by Dominic Sessa, is a punk 19-year-old who, after missing out on a fellowship he told his peers and family he was definitely getting, follows a girl (Emilia Jones), based on his first wife, Nancy Putkoski, to Provincetown, Mass., in 1975. There he fibs about his qualifications and finds himself working in a kitchen, where he's entranced by the ne'er-do-wells preparing seafood and the fastidious chef (Antonio Banderas) running the place.

Directed by Matt Johnson, it plays as a coming-of-age story as Bourdain gets his act together and learns that he craves both the chaos and rigor of a kitchen.

In the final moments, Tony decides to apply to study at the Culinary Institute of America. He is interviewed by a chef played by Ripert, in a cameo. Looking at Tony's thin résumé, Ripert says, "At least he's honest."

"Eric has stumbled on what for me was the heart of the entire film," Johnson said of Tony's arc toward honesty on-screen. "What transforms Anthony Bourdain the boy into Anthony Bourdain the man is that he no longer feels like he needs to lie to inflate his status."

Ripert's presence acts as an implicit endorsement of the project by those who were closest to Bourdain. He signed on at the suggestion of executive producer Kimberly Witherspoon, Bourdain's former literary agent who now oversees his estate.

In a statement, the estate said that it chose to support "Tony" because it is "not a standard biopic and doesn't attempt to summarize a life." The statement called the movie "an interpretation," adding that the Provincetown "part of Tony's life will always remain somewhat unknown," but it captures Bourdain's "complexity, his intellectual appetite and his conviction."

Dominic Sessa as Bourdain in the film 'Tony.'

The idea to focus on such a narrow time in Bourdain's life came, in part, because co-writers Todd Bartels and Lou Howe are "allergic" to movies that attempt to squeeze a cradle-to-grave narrative into around two hours of screentime, Bartels said. In conceiving the story, they also wanted to avoid the "cottage industry" that had popped up around Bourdain's death, which focused on the mystery of his final days.

"We wanted to go back to the beginning, instead of the end, when his life was messy," Bartels said. The early days were when "he said he treated the world like his ashtray, but, ultimately, it was all potential and hope and promise," Bartels said.

There wasn't an abundance of material available that details that period in Bourdain's life. The writers—who also worked with Johnson and producer Matt Miller on the screenplay—relied on a section of "Kitchen Confidential," Laurie Woolever's 2021 book "Bourdain: The Definitive Oral Biography" and the Massachusetts episode of "Parts Unknown" where Bourdain visits Provincetown.

The lack of concrete information, as well as the fact that Bourdain himself used writerly flare to describe his young antics, gave the filmmakers room to invent. Characters played by Banderas and Leo Woodall are composites of figures Bourdain knew during his time in Cape Cod. For Johnson, Banderas's chef represents the ethical "disciplinarian" side of Bourdain's public persona while Woodall's Sal, a drug-addled wild card, the "libertine" element.

Howe said Witherspoon appeared less concerned with factual accuracy than when parts of the story didn't ring emotionally true. Johnson, who doesn't consider himself a die-hard Bourdain fan, wasn't interested in catering to viewers who have binged every episode of "Parts Unknown" or "No Reservations."

"I was trying to make this for people who had no idea who Anthony Bourdain was," Johnson said.

Still, if "Tony" is about a young version of Bourdain with whom audiences aren't familiar, Ripert's appearance is a nod to the man he will become. Miller said the filmmakers initially looked at auditions from actors local to their Massachusetts shoot for the small role, before deciding a notable figure should cameo instead. Ripert, the Michelin-starred Le Bernardin chef, said yes without seeing the script because of his trust in Witherspoon. "It's a very important, pivotal moment in his young age that had actually a huge impact later on in his life," he said.

FROM LEFT: FRANK CRIVELLI; SEACIA PAVAO/A24

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OBITUARY

## RICHARD D. WOOD JR. | 1938-2026

Jeanette and Dick Wood cheering for the Philadelphia Eagles during the 2018 Super Bowl.

# He Built Wawa Into a Cult-Favorite Convenience Giant

To keep executives grounded, the CEO insisted that they spend a day each year working in one of the chain's stores

By Jon Mooallem

In 1682, a Quaker named Richard Wood landed in colonial Philadelphia from England and began establishing a family business that would expand and divide through the generations to include a rum and molasses shop, an iron foundry, a textile mill and, by 1902, a dairy founded by George Wood, a descendant who had imported Guernsey cattle from the Channel Islands and delivered his purportedly superior milk to homes via train and horseback.

George called his dairy the Wawa Dairy, after the region of rural Pennsylvania where he lived, which itself had been named by white settlers with the Ojibwe word for the migratory geese that stopped there (notwithstanding that the Ojibwe people actually lived much farther north, and the Lenni Lenape, who did live in Wawa, called geese something else entirely).

As decades passed, the market for home delivery started to decline. Americans were buying their milk in stores now—which was why George Wood's grandson, Grahame Wood, opened one in Folsom, Pa., in 1964.

Business boomed at Grahame Wood's Wawa Food Market. Soon, he had a few more stores, selling a few more things—until, by 1970, Wawa had become a sufficiently complex corporate concern that Grahame needed to hire a general counsel. And being that Wawa was a family business, he hired his cousin's son, Richard D. Wood Jr., a whip-smart, 32-year-old lawyer who went by Dick—a man who, Grahame quickly realized, should probably be running the whole thing.

Dick Wood, who died July 10 at 88 at home in Wawa, Pa., an unincorporated community west of Philadelphia, would remain at the center of the Wawa-verse for more than 50 years, helping to lead the chain as president, CEO and chairman. During that time, Wood went from scion of his family business to its patriarch and expanded the company into a beloved convenience and gas-station giant. It now has 1,200 stores in 14 states. According to Forbes, Wawa did $19 billion in revenue last year.

Wood also helped cultivate Wawa's exuberant customer base—from those who stop every morning for coffee and a quick chat with strangers about the Eagles or Phillies, to a cult of superfans who get the chain's logo, a goose, tattooed on their bodies, or debate the superiority and semiotics of various sandwich orders on Reddit.

Wood seemed delighted by that fandom and, most of all, by the feeling of common purpose around his stores.

He is survived by two children, Lisa Wright and Richard Wood III, and five grandchildren. His wife of 61 years, Jeanette (Andrews) Wood, died last year.

### 'Fastest Shopping Trip'

Wood was born March 4, 1938, in Philadelphia, the son of Margaretta and Richard D. Wood. After graduating from the University of Virginia in 1961, he entered law school at the University of Pennsylvania, then spent several years at a Philadelphia firm before joining Wawa in 1970.

Two years later, Wawa opened its 100th store. In 1977, Wood became CEO. By the end of the decade, there were 238 stores.

Americans were living busier lives, with longer commutes, and as more women entered the workforce, getting domestic errands done efficiently became key. Wawa benefited from all of those societal changes. The brand already centered on convenience—"the World's Fastest Shopping Trip" ads read—and Wood now pushed to keep stores open 24 hours a day. During the 1980s, the number of Wawas more than doubled again, to 480.

Wood kept his finger on the pulse of all of them. He would visit about 150 Wawas a year, and shadow workers on a night-shift at least once a month. Every summer, he'd take his family to the Jersey Shore so he could spend the weekend working at a Wawa there—restocking, ringing up, whatever would help.

Wood required Wawa executives to work in a store one day out of every year, too. "He called it 'Flounders Day,' " his son, Rich Wood, said, "because they'd be floundering around the store, getting in everyone's way."

Wood thought it was important to understand Wawa at ground level, privileging the perspective of its customers and those actually pouring the coffee and making the hoagies. "Corporate offices have a way of sometimes making themselves believe that this is the center of the universe for the company, and it really is not," explained current CEO, Chris Gheysens, who joined the company in 1997. "That is one of the tenets Dick tried to get across: Always put stores first."

Key to both the cultivation of this ethos and Wawa's growth, Wood believed, was the fact that the company was privately held. Public companies focused on shareholder value must make short-term decisions, he said, "and we are focused on long-term decisions."

A horse-drawn Wawa Dairy delivery cart.

In 2004, a private investment group with a stake in Wawa, backed by the McNeil family, the Tylenol heirs, pushed hard to take Wawa public. But Wood led an effort for employees to use their 401(k) balances to buy out the group through an Employee Stock Ownership Plan he'd created at Wawa a decade earlier. Employees now own 40% of the company, according to a Wawa spokesperson.

### The Dark Days of 'Boli'

Wawa's business faltered in the 1990s amid fiercer competition. The general mood of that period is encapsulated, in retrospect, by the company's exalted launch, and swift failure, of the "Wawa Boli," a hand-held stromboli that Wood and his team hoped would spruce up the chain's grab-and-go offerings.

He called the era "The Dark Days."

Wood reshuffled his management team, making Howard Stoeckel, who'd later succeed him as CEO, vice president of marketing, and empowering him to shake up the inside of Wawa's stores.

Wood, meanwhile, focused on making one big and ultimately crucial change outside the store. Previous attempts to sell gas in the 1970s and 1980s had left little appetite within Wawa to try it again. But Wood embarked on a bullish roadshow around the company, making his case for how fuel sales could be done right and reinvigorate the chain. Wawa started selling gas in 1996, charting a course out of the Dark Days for good and thrusting Wawa into its "superstore" era.

Wood retired as CEO in 2004 and remained chairman of Wawa's board until 2020, when he became chairman emeritus.

On July 20, the chain offered free cups of coffee in his honor at every store.

**'One of the tenets Dick tried to get across: Always put stores first.'**

CHRIS GHEYSENS
Wawa CEO

More stories at WSJ.com/obituaries

FROM LEFT: WOOD FAMILY; WAWA

READER MAIL

# WSJ Readers With Military Service Respond to Testosterone Testing

**IN RESPONSE TO** Defense Secretary Pete Hegseth's announcement that all "warfighters" age 30 and older in the U.S. military will be tested annually for testosterone deficiency, Sebastian Junger argued in a recent Journal essay that combat requires peak fitness, but it goes way beyond hormones. Readers continued the argument in the comments; responses from veterans drew upon their experiences in the military. Here, lightly edited for space and clarity, are a selection of those comments.

I was a somewhat overweight graduate of some of America's finest undergraduate and medical teaching programs. In the early 1970s, I was required to accept a commission in the Navy. Nobody measured my "T." Nobody checked to see how many push-ups I could do. I struggled with the annual "fitness" test throughout my 26-year career (I enjoyed the Navy, decided to stay). So the Navy had a not very physically fit but very well-trained medical officer who sailed the world on its ships, deployed with the Marines and in Antarctica and staffed emergency rooms and clinics in the U.S. I always wondered, if I flat failed the fitness test, would they get rid of me for that reason? Now I wonder if Hegseth would want them to.

*—Bernard Spencer Thomas Jr.*

A lot of front-line soldiering has to do with individual will and attitude, not body chemistry. I'm speaking from experience. I enlisted when I was 19 and served in Vietnam with the 4th Infantry and 1st Cav. from May 1970 to June 1971. My father was drafted into the Army in WWII; he was about 32. Basic was tough at 19; I don't know how he got through it at 32. I never asked, but he once said he was proud because he could keep up with much younger guys.

*—James Ventrilio*

The article is like many arguments: It presents a binary yes or no sort of argument, when the question of using testosterone, amphetamines and other drugs to enhance combat performance is nuanced. While I can't see them for everyone, and probably wouldn't find a use for them out on patrol, once back in a more rear area they may help with recovery and help rebuild muscle lost during extended operations. Any comparison between training in the States and how an eight- to 12-month deployment grinds your body down is disingenuous.

*—Mark Matteson*

The author is wrong in his assumption that only personnel directly facing the enemy need top levels of lethality (I, too, have concerns about the testosterone policy). I was in the Pentagon on 9/11. I spent time on the Southwest border; my FIRST trip to Afghanistan was in December 2001; and I spent a 15-month stint in that country. IN EACH, personnel who did not expect to be "at the tip of the spear" were attacked, defended others and sometimes lost their lives. The days of a FEBA—Forward Edge Battle Area—no longer exist. ALL military personnel need to be able to act—aggressively when needed—no matter their location.

*—Andre Hollis*

My limited experience in Vietnam indicated that many short, scrawny guys had the "GRIT" to last on hot and wet days when the muscle men could not. For me, the mind is usually stronger than the body. X USMC corporal out of I Corps.

*—Michael Butler*

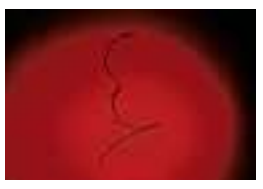
Operation Enduring Freedom veteran here. The motto at Officer Candidate School was "Standards. No Compromise." Sounds cheesy, but it is not. Mr. Junger is correct in that at the core of the capabilities of our fighting force is the intense training and standards that must be met in advance of promotions and deployments. Many are physical and emotional, some are academic. These tests need to be consistently administered throughout one's service. It's a long-winded way of saying these things are complex. Go, Army!

*—Michael Lawrence Coyne*

**Unto Caesar**
Following the trail of the Roman Empire's conquests **C10**

BOOKS
THE WALL STREET JOURNAL.

**The Reel Deal**
A look at 100 years of Alfred Hitchcock's legacy **C12**



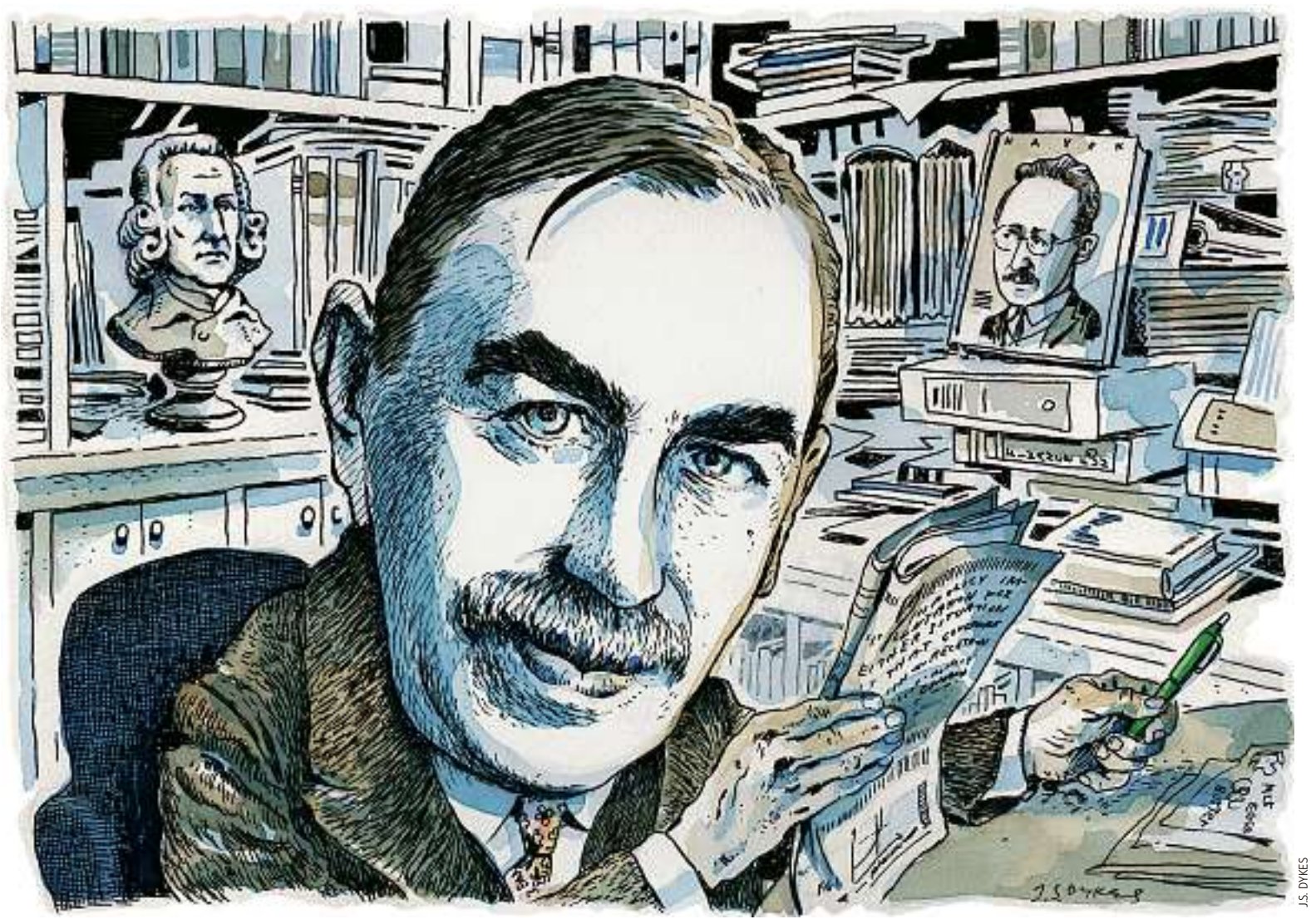


# In Debt to Philosophy

## The ideas current when John Maynard Keynes was at Cambridge shaped the economic programs he would champion

**Keynes for Our Times**
By Robert Skidelsky
*Yale, 200 pages, $28*

BY SAMUEL GREGG



J.S. DYKES

**EIGHTY YEARS** after his death in 1946, the shadow of John Maynard Keynes looms over economic thought and public policy. Keynes, whose name is a byword for interventionist policies, changed the way economists understood the world. He was also fortunate to have in Robert Skidelsky a superb biographer. Published between 1983 and 2000, Skidelsky's three-volume biography brilliantly presented a full portrait of Keynes as a thinker, a policymaker and, most engagingly, a man. Scholars considered it authoritative when the volumes appeared; their assessment has aged well.

Skidelsky's involvement with his subject did not cease, however, with the chronicling and analysis of Keynes's life. Over time, he became an outspoken advocate of Keynesian policy prescriptions, especially after the 2008-09 financial crisis. He simultaneously emerged as a sharp critic of the economic thought of prominent free-market thinkers such as Friedrich Hayek and Milton Friedman.

These and other themes come together in what turned out to be Skidelsky's final book. Published shortly after his death on April 15, the primary objective of "Keynes for Our Times" is to "convey not just what Keynes thought, but also the way he thought." That "way," Skidelsky tells us, was heavily influenced by some distinct philosophical commitments that shaped Keynes's understanding of what economics should be about.

Keynes had little by way of formal training in philosophy or, for that matter, economics. His degree was in mathematics. But as a second-year undergraduate at Cambridge, Keynes read "Principia Ethica" (1903), a philosophical treatise by G.E. Moore. That book led Keynes to reject the utilitarian outlook that, according to Skidelsky, dominated "the mainstream economics of his day and our own." Moore's book prompted Keynes to ponder what it meant to be good and, eventually, how much was "enough," economically speaking, for people to live a good life.

Skidelsky demonstrates that Keynes's desire to enable more people to experience the higher goods identified by Moore, such as friendship and aesthetic enjoyment, inclined Keynes to approach economics as "an end-satisfying system." It also led him to treat economics primarily as a moral science rather than purely a matter of empirical inquiry. In this sense, Keynes was in the same camp as Adam Smith. The founder of modern economics firmly believed that "improvement" and the growth of "civilized society" were morally commendable ends whose realization could be advanced by rigorous economic thinking.

The means, however, matter as much as the ends, and Keynes's preferred economic policies for bringing about his goals would eventually have seriously negative consequences. Take, for example, Keynes's at-times obsessive concern for keeping interest rates low. This partly reflected his conviction, states Skidelsky, that the real problem in the modern economy was "not the Capitalist but the Usurer."

Though a thoroughly modern man, Keynes shared the ancient hostility to the supposedly sterile activity of "making money out of money." He also lambasted people's preoccupation with possessing money as warping their imaginations and blinding them to the existence of more fulfilling possibilities. This coheres with Keynes's conception of much contemporary economic life as a struggle between creditors and debtors. He never disguised his belief that the "creditor class" should be put firmly in its place.

**Keynes advocated for strong government intervention in markets. The long-term outcome has been controversial.**

Keynes consequently tried to identify how government institutions could keep interest rates down. Consistently low rates would rebalance the economy in favor of debtors, he thought, and reduce incentives for people to hoard money and instead encourage them to spend and invest, thereby stimulating employment. The price to be paid for such policies, Skidelsky concedes, would be the loss of an "anti-inflationary anchor."

That loss contributed mightily to the Great Inflation that engulfed most Western nations between 1965 and 1980. Skidelsky would dispute this latter point; he insists that the inflationary outbreak that severely damaged the credibility of Keynesian policies was triggered by "the failure of President Lyndon Johnson's administration to curtail American civilian spending to pay for the Vietnam War." But such an explanation dramatically underestimates the role played by the willingness of governments and central banks to prioritize the pursuit of low unemployment through deficit spending and easy money. That willingness resulted in excess demand that ultimately stimulated acute demand-pull inflation—that is, price increases caused by demand outpacing available goods and services.

This debate about employment and inflation brings us to a subterranean theme running through Skidelsky's book: the clash between Keynes and Hayek. An arch anti-inflationist, Hayek also functions as a representative of the "neoliberalism" Skidelsky believes is responsible for many of our contemporary economic and political woes.

In the 1930s, in the pages of the journal Economica, Keynes and Hayek fiercely debated the functions of savings, consumption and stimulus programs during economic downturns. They later sparred over the implications of economic planning for freedom. But even more central to their disagreements, Skidelsky contends, was Hayek's propensity "to equate moral values with market values."

As Skidelsky sees it, Hayek reduced the market's moral function to the way in which economies gave people the opportunity to make their own moral choices and thereby acquire responsibility in the face of scarcity. Keynes, he thinks, was in the more serious business of enabling humanity to "quit the realm of necessity and enter the realm of freedom" by pursuing aesthetic goods like beauty, art and harmonious relationships.

Skidelsky's description of Hayek's position on these matters is an impoverished one. For example, much of Hayek's pro-market advocacy from the late 1930s onward involved illustrating how markets helped to drive civilizational growth, not least by replacing predatory behavior with free exchange, and providing a means of coordinating millions of pieces of knowledge across space and time. Hayek also presented certain institutions that are central to markets—notably the rule of law—as more than mere economic artifacts. They were, for him, moral and civilizational achievements in their own right.

Yet for all his criticisms of Hayek, Skidelsky affirms that Hayek and Keynes were at one in their desire to preserve liberal civilization from the radicals of the left and right in their time. Similar forces, he warns, have emerged today in the guises of populism and nationalism. For Skidelsky, part of the response must be a "modernized Keynesianism" capable of maintaining "a continuously high level of labor demand." This, Skidelsky believes, would alleviate the widespread angst about unemployment he believes makes extremism attractive to so many people.

By modernized Keynesianism, he means more and blunter forms of intervention. On the domestic level, he calls for an extensive redistribution of wealth and income, massive public investments in what he vaguely terms "public projects," and, most radically, the guarantee of a public-sector job to anyone who cannot find private-sector employment. Skidelsky also holds that, "in the spirit of Keynes," we should "aim for an international/financial system that supports rather than impedes a domestic full-employment policy."

Consider, however, that state intervention in the U.S. economy, measured as general government expenditure, consumed 37.7% of total gross domestic product in 2025. The percentage in the European Union that same year was 49.5.

Skidelsky's policies would only magnify this already colossal degree of intervention in Western economics. Given what happens to productivity (not to mention freedom) as ever greater resources are devoured by the public sector, one strains to see how modernized Keynesianism would sustain the growth necessary to ensure that abundance rather than subsistence remains the norm.

Skidelsky's brand of 21st-century Keynesianism exemplifies how the heralds of prominent thinkers often lose a sense of proportion when they elaborate on their heroes' ideas. He was a splendid biographer of the man he described in another book as "the master." Skidelsky's specific rendering of Keynes's ideas for our times, however, would only further imperil the liberal civilization that Keynes spent his life defending.

*Mr. Gregg is the president of the American Institute for Economic Research.*

# An Election That Tore The Nation

**He Has the People**
By Jonathan Earle
*Oxford, 232 pages, $29.99*

BY LOUIS MASUR

**SOME PRESIDENTIAL** contests are truly transformative. Thomas Jefferson took office in what came to be known as the Revolution of 1800, when an opposition political party gained power for the first time. The election of 1932 was a landslide for Franklin Delano Roosevelt, who remained in office 12 years and forever altered the role of the federal government in the lives of Americans. In 1860, though, an election nearly destroyed the nation when Abraham Lincoln became president and, in response, seven Southern states seceded from the Union.

In "He Has the People," an astute recounting of the 1860 election, Jonathan Earle, a professor of history at Louisiana State University, delves into the details and highlights its accompanying uncertainties: In 1859 the journalist D.W. Bartlett compiled a list of the 21 likeliest presidential candidates, and Lincoln's name did not appear. To help explain how Lincoln emerged to win the Republican nomination and the presidency, Mr. Earle enlists a journalist, Murat Halstead, as an eyewitness guide.

Halstead, a Republican, was the 30-year-old editor of the Cincinnati Commercial and attended all the national political conventions that year. (There were seven). Other newspapers reprinted his reports. Halstead was also present at the hanging of John Brown on Dec. 2, 1859. Six weeks earlier, Brown had raided the federal armory at Harpers Ferry, in what was then Virginia, aiming to foment a slave insurrection. The abolitionist's action weakened Republican candidates such as New York's Sen. William Seward, who came to be seen as an antislavery radical. It also boosted Lincoln, whose more moderate approach seemed appealing. At Cooper Union in New York City, in February 1860, Lincoln proclaimed that "John Brown was no Republican."

The same month, after eight weeks and 44 ballots, the 36th Congress had finally elected a speaker. (As was the practice in those days, the representatives elected in 1858 did not convene in regular session until December 1859.) William Pennington of New Jersey was ultimately elected by a margin of one vote. John Sherman of Ohio, who led for most of the balloting, withdrew after Southern Democrats united against him because he had endorsed Hinton Rowan Helper's "The Impending Crisis of the South" (1857), a book that predicted economic catastrophe for the South as a result of slavery's inequitable effect on nonslaveholding white farmers. Even

**After Lincoln came to the presidency, seven Southern states seceded from the Union.**

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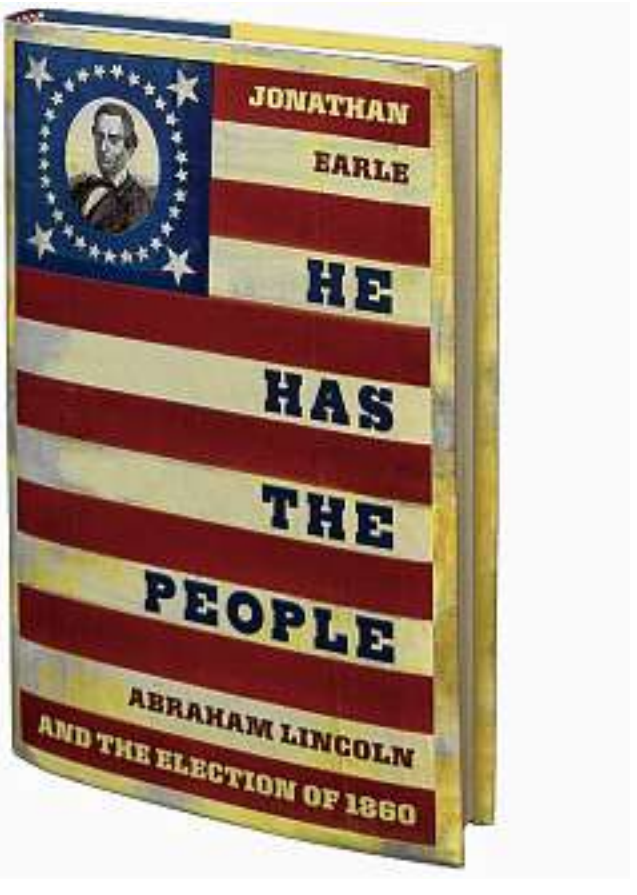

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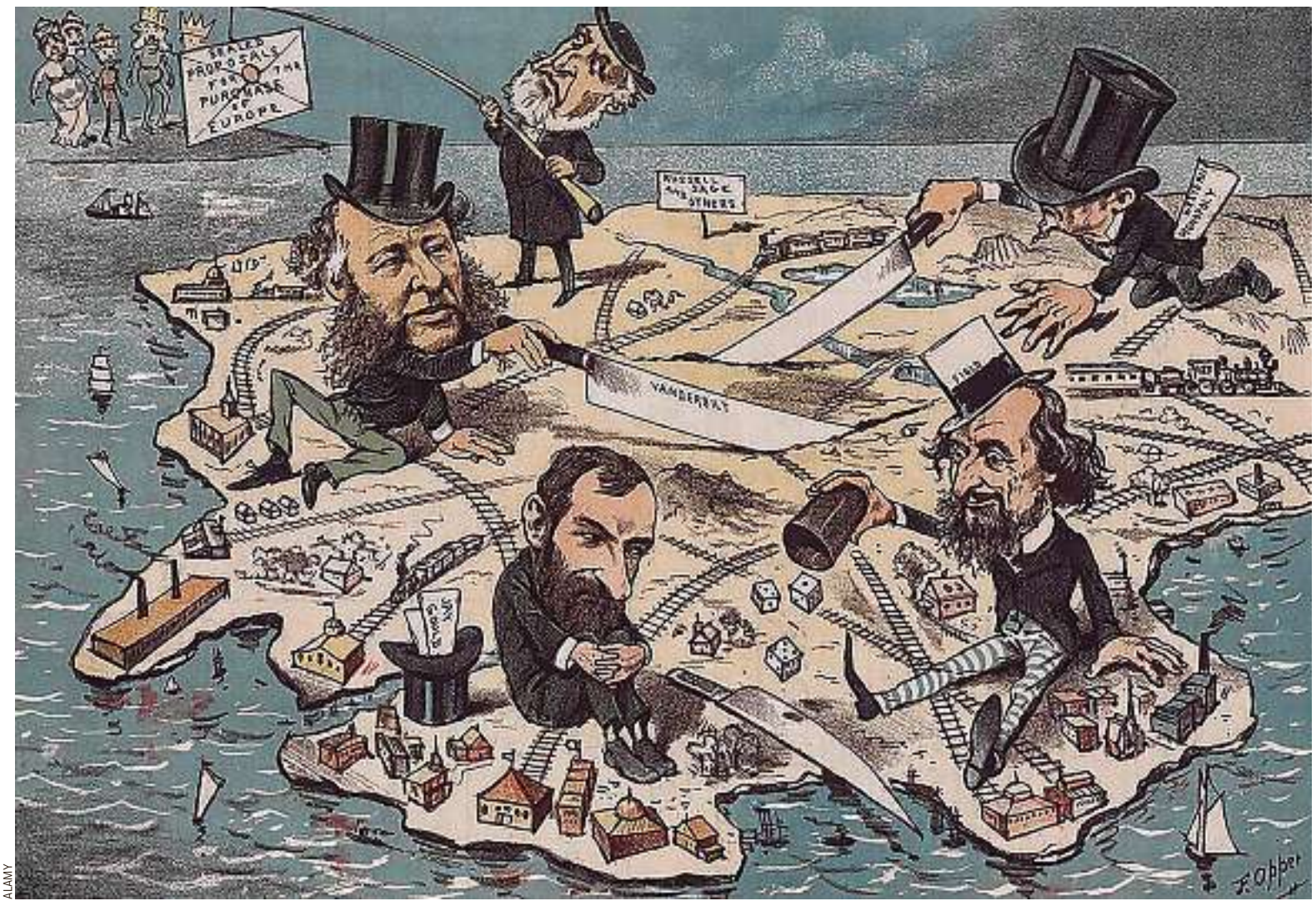
'You have my authority for stating that I consider Mr. Jay Gould a damned villain.' –CORNELIUS VANDERBILT

FIVE BEST DAVID SKEEL

# Bankruptcy Battles

The author of 'Promise Land' on clashes in the boardroom and the courtroom after the money ran out




ALAMY

**CARVE OUT** 'Let Them Have It All, and be Done With It!' (1882) by Frederick Burr Opper.

### The Robber Barons
By Matthew Josephson (1934)

1 Matthew Josephson's group portrait of the most powerful men of the Gilded Age—his subjects include Jay Gould, James Fisk, John D. Rockefeller and J.P. Morgan—is a study in unrelenting competition. Equity receivership, a bankruptcy-like proceeding used to reorganize troubled companies, was a favorite method that many of these tycoons deployed to outplay their rivals. Gould was adept of the dark arts of financial distress. In Josephson's phrase he "roved through the West eyeing the ruined hulks of transcontinental railroads," scooping up the "rich debris." Receivership was also a preferred weapon of Morgan. "With the prostrate client . . . in desperate need of fresh working capital," Josephson writes, Morgan would offer a loan and "impose hard terms," usually installing an ally as "a dominant voice in the management" after the debt was restructured. Published during the Depression, when hostility to Wall Street ran high, this rollicking portrait of the former era's business titans was a hit that popularized the phrase of its title.

### The Man Who Saved New York
By Seymour P. Lachman and Robert Polner (2010)

2 Nestled inside this biography of Hugh Carey, the governor of New York from 1975 to 1982, is the story of how New York City narrowly avoided fiscal collapse in 1975. The book vividly portrays the dramatis personae, such as Abraham Beame, the city's hapless mayor, who nearly resigned; Felix Rohatyn, an eminent Wall Street banker (known to some as Felix the Fixer) who chaired the Municipal Assistance Corporation instituted by the state to refinance the city's debt; and Albert Shanker, the president of the city's teachers union, whose control of members' retirement funds was crucial to a refinancing deal. Seymour P. Lachman and Robert Polner give Carey his due for cajoling lawmakers, both at the state and the federal levels, into action. One obstacle was President Gerald Ford, who initially indicated he would veto Carey's request for a federal loan that would extend the state's efforts. The New York Daily News translated Ford's stance on Oct. 30, 1975, as "FORD TO CITY: DROP DEAD." Public opinion eventually shifted in New York City's favor, which helped move Ford to support a $2.3 billion federal loan package that bought time to get the city's finances in order.

### Game Over
By George Papaconstantinou (2016)

3 When years of bloated government budgets financed by increasing debt finally caught up to Greece in 2009, it turned to the European Union for help. Over the next six years, Greece negotiated three bailout loans with the so-called troika—the European Commission, the European Central Bank and the International Monetary Fund—in return for spending cuts and austerity measures. George Papaconstantinou isn't an objective observer. As Greece's finance minister from 2009 to 2011, he negotiated the first bailout and the early stages of the second. Mr. Papaconstantinou writes passionately and with sardonic wit, bringing the reader into the rooms where the country's fate was decided. The chronicle has a Kafka-esque ending, with the author on trial, accused of removing his relatives' names from a list of Greeks with money in Swiss bank accounts. In the end he was cleared of the most serious charges, leaving him free to write this account of the nation's financial calamity.

### Bankrupt in America
By Mary Eschelbach Hansen and Bradley A. Hansen (2020)

4 America's first permanent federal bankruptcy law, enacted in 1898, was designed for businesses, but individuals discovered its benefits, as Mary Eschelbach Hansen and Bradley A. Hansen explain in "Bankrupt in America." By the 1920s, the number of individuals declaring bankruptcy eclipsed businesses doing the same. Courts did their best to adapt. Judge Kenesaw Mountain Landis, the authors write, tried to ensure that only "honest but unfortunate" debtors benefited from bankruptcy's by directing "professional bankrupts . . . to restitution or jail." Valentine Nesbit "tabulated the expenses" of debtors who appeared in his court in the 1930s, "subtracted them from the debtor's wages," and paid the rest to creditors. Such individual courtroom attention could not be sustained for long. Department-store credit accounts and the disappearance of legal restrictions on interest rates paved the way for the late-20th-century explosion of the credit-card business and corresponding debt and insolvency. Creditor lobbyists complain that debtors use bankruptcy to renege on their obligations, while consumer groups blame exploitative lending practices. The trend continues. Today individuals vastly outnumber businesses in bankruptcy, by a ratio of 22 to 1.

### The Caesars Palace Coup
By Max Frumes and Sujeet Indap (2021)

5 In the wake of the 2007-09 recession, the Caesars Entertainment casino empire came close to defaulting on more than $25 billion in debt, and an unusually vicious corporate bankruptcy fight began. Apollo Global Management and TPG Capital, two private-equity funds that owned the troubled business, marched into bankruptcy court in 2015 with a proposal: Caesars would pay favored creditors most of what they were owed and give disfavored creditors a pittance, leaving Apollo and TPG in charge. A group of miffed hedge funds—who were among the disfavored creditors—attacked the proposal from every angle. Max Frumes and Sujeet Indap sketch the shifting alliances and blustering personalities that made this one of the most notorious Chapter 11 cases of the 21st century. David Sambur of Apollo was, the authors write, "a pit bull constantly in attack mode," while Bruce Bennett, the hedge funds' lawyer, "always had to have the last word." Before bankruptcy, Apollo and TPG had transferred some of Caesars' best properties to other entities. When an examiner estimated that these transfers may have defrauded Caesars of $5 billion, the original proposal crumbled and the disfavored creditors secured a far better deal.

## *Putting Lincoln In Office*

*Continued from page C7*

selling the book could prove dangerous in the South: Authorities in North Carolina jailed one missionary for distributing four copies.

The contest for speaker, the author argues, served as a proxy for the coming election, in which four candidates would compete for the presidency. In April, the Democrats gathered in Charleston, S.C., where Stephen Douglas failed to win the support of Southern Democrats. (The Illinois senator had opposed both the pro-slavery Lecompton constitution in Kansas and a federal slave code that would have protected slavery in the territories.) Halstead thought little of Douglas, Mr. Earle reports, describing him as a "foul-mouthed bully self-convicted of cowardice."

The Charleston convention ended without a nominee; a majority of Southern delegates walked out when they failed to get a platform that protected the expansion of slavery. Northern Democrats reconvened in Baltimore in June and nominated Douglas. Southern Democrats gathered separately and chose Kentucky's John C. Breckinridge, the sitting pro-slavery vice president.

In May, a third political party, the Constitutional Union Party, had nominated John Bell of Tennessee. Although a slaveholder, he had been a prominent Whig and opposed any talk of disunion and the expansion of slavery into the territories. Halstead observed that "the general foolishness of the two great parties had given the third unusual animation." The Constitutional Union Party proposed to save the nation, he noted, "by ignoring all the rugged issues of the day"—there was no direct mention of slavery in its platform.

The Republican Party faced those issues head on in Chicago between May 16 and May 18. Norman B. Judd, the chair of the Illinois Republican Party, promoted Lincoln's candidacy in myriad ways, including getting the influential Chicago Press & Tribune to endorse Lincoln and delivering a unanimous slate of committed Illinois delegates. Given Seward's popularity, as well as the prominence of other candidates, such as Salmon P. Chase, Simon Cameron and Edward Bates, this was no small accomplishment.

At the state Republican meeting that month in Decatur, Lincoln had broken from political norms and appeared in person. His friend and a cousin carried in two fence rails said to have been split from logs by Lincoln, and he became the "Rail Splitter"—"a living symbol of frontier democracy," as Mr. Earle puts it.

ALAMY

**SPLINTER** Abraham Lincoln as 'The Railsplitter' (ca. 1858).

David Davis, then a circuit court judge and later a Supreme Court justice, managed Lincoln's candidacy at the Chicago convention. Lincoln had advised his manager to "make no contracts that bind me," but Davis handed out promises, including the offer of cabinet positions. His goal was to deny Seward an immediate victory by getting Lincoln to 100 votes on the first ballot (233 votes were needed). To do this, Davis positioned Lincoln as the preferred second choice for those who favored other candidates, and as someone who could carry Pennsylvania, Illinois and Indiana, states that had been won by James Buchanan in 1856.

On the first ballot, Lincoln garnered 102 votes to Seward's 173.5. (Half votes occurred when the number of delegates from a state differed from the number of votes allotted to the state by the convention.) On the second ballot, Lincoln jumped to 181, only 3.5 behind Seward. On the third, the nomination was Lincoln's. Halstead was disappointed: "The fact of the convention was the defeat of Seward rather than the nomination of Lincoln. It was the triumph of a presumption of availability over pre-eminence in intellect and unrivaled fame."

The presidential election came down to Lincoln versus Douglas in the North and Breckinridge versus Bell in the South. Because Republicans had no presence in the South and parties, not states, distributed ballots, Lincoln received no votes in 10 Southern states. He triumphed in the North and West (Oregon and California), aided in part by the Wide Awakes, a paramilitaristic youth movement of white and black men who marched in his support. (One Democrat denounced them as "Wide Awake Praetorians.")

Douglas took Missouri and three of New Jersey's seven electoral votes. Breckinridge captured the slaveholding states except Tennessee, Kentucky and Virginia, which went to Bell. That meant Lincoln won with 39.7% of the popular vote and 180 electoral votes. (152 were needed). An astonishing 82% of eligible voters had turned out.

Halstead praised the "almost universal good order and decorum" with which the election was held and called the result "a noiseless revolution," achieved without a drop of blood. He rejoiced that "slavery has reached the limits of expansion" and that "the fate of the experiment of republican government" was no longer in danger. It did not take long for Halstead to be proved wrong.

However unlikely a candidate he might have been, Lincoln as president preserved the union and helped bring about the end of slavery. Four years later, after being re-elected, he offered his thoughts on electoral politics: "We cannot have free government without elections, and if the rebellion could force us to forego, or postpone a national election, it might fairly claim to have already conquered and ruined us." With a pivotal contest looming this year, Mr. Earle's book reminds readers that the messy practice of democracy has never been easy.

*Mr. Masur, a professor at Rutgers University, is the author of "The Civil War: A Concise History."*

P2JW213000-4-C00900-1--------XA





'It's the age of the strong eating the weak.' —TSUNEJIRŌ TAMURA

# An Explosive End to the War

**Empire of Ashes**
By James M. Scott
*Norton, 528 pages, $41.99*

BY JONATHAN W. JORDAN

EVERETT/SHUTTERSTOCK

**RUINS** A Shinto shrine in Nagasaki, Japan, following the atomic bombing on Aug. 9, 1945.

**AMERICA'S WAR AGAINST** Japan was a three-act tragedy: from Pearl Harbor to the Battle of Midway (1941-42) was the low point; Guadalcanal to Guam (1942-44) the reversal; and Saipan to Japan's final defeat (1944-45) the reckoning. Trilogies by Richard B. Frank, John C. McManus and Ian W. Toll generally follow this chronology (with Mr. Frank's trilogy-in-progress starting earlier, in 1937 and Japan's war against China).

James M. Scott follows a different approach.

His Pacific War books—"The War Below" (2013), "Target Tokyo" (2015), "Rampage" (2018) and "Black Snow" (2022)—explore operations that illuminate individuals caught by the scythe-blades of war. In "Empire of Ashes" Mr. Scott shifts to the war's final months, from America's bombing campaign against Japan's major cities in the spring of 1945 to the empire's atomic death that August.

**While Emperor Hirohito contemplated Japan's position, President Truman was forced to consider the atomic option.**

"Empire of Ashes" opens with the sudden death of President Franklin D. Roosevelt and Harry Truman's awkward ascent to the presidency. In Mr. Scott's telling, Truman is a scaled-down version of David McCullough's everyman hero: a political pugilist who, despite inner doubts, never shirked the hard moral decisions.

One of Truman's biggest shocks arrived less than two weeks into his presidency, when he learned of the atomic bomb project. "He had been president only thirteen days—and now he faced the prospect that to end the war and save American lives, he might have to obliterate Japan's cities," Mr. Scott writes. "Such a weapon would kill tens of thousands of men, women, and children."

In the bombsight's crosshairs sat Emperor Hirohito, a gentle, scholarly figure unprepared for the maelstrom unleashed at Pearl Harbor. "At first glance, Hirohito appeared better suited for a library than a battlefield," Mr. Scott writes. "Socially awkward and lonely, Hirohito had spent his life walled off from any real friends as well as the population at large, having lived, as even he later acknowledged, much like a 'bird in a cage.' "

Mr. Scott describes Japan's ordinary civilians who, from 1941 to 1945, endured a mounting catastrophe. From the disappearance of simple amenities—the closing of tea houses; the requisition of temple bells and gongs to meet the military's metal demands—to shortages of medicine, cloth, food and even coffins, families found themselves marooned on a blockaded island unable to feed itself. Of the 1.3 million schoolchildren evacuated from cities to the countryside, Mr. Scott writes, many "resorted to eating grasshoppers, snakes, and stream crabs as well as tooth-cleaning powder, paint, and crayons."

In February 1945 Hirohito began meeting secretly with his former prime ministers to poll them on whether to petition for peace. All but one urged him to continue the fight. Bending to the hawks, Hirohito held out for a victory that would give Japan something to bargain with at the peace table.

With no apparent results from bombing and blockade, Truman's atomic option was largely driven by the alternative: an amphibious invasion of Japan's mainland islands. Battles at Saipan, Iwo Jima and Okinawa revealed what an invasion of Japan would cost. "The calamitous casualties reflected the gruesome battles that had defined the last year of the war, combat accentuated by fanatical banzai charges, mass civilian suicides, and of course, terrifying kamikaze attacks, monsoons of metal and flesh that rained down on American warships," Mr. Scott writes.

The book showcases Mr. Scott's forte: conveying the human cost of war. "Night after night Boeing's monstrous Superfortresses"—the B-29 heavy bomber—systematically "scorched Japan's cities, like fire-breathing dragons," he writes of the American firebombings. "Few public shelters existed, leaving residents to dig primitive foxholes in home gardens, where many either suffocated or roasted to death. Concrete buildings, like schools and train stations, often functioned as ovens, reducing the bodies inside to ashes and bone."

Facing invasion, Japan's leaders armed children with bamboo spears to face American tanks, fighter bombers and artillery. Mr. Scott quotes one schoolgirl's diary about her training: " 'It was really fun,' she noted. 'I was tired, but I realized that even one person can kill a lot of the enemy.' "

Both Truman and Hirohito were horrified over the slaughter to come. Truman knew American invaders might have to face more than 900,000 defenders and 10,000 kamikaze planes on the southern island of Kyushu alone. On Japan's mainland, Hirohito watched helplessly as American bombers ran out of large cities and began destroying smaller ones. Yet hardliners in Japan's imperial cabinet wouldn't budge.

At the center of the impasse stood Hirohito's fate: Should he remain emperor or be hanged as a war criminal? The logic of preserving the throne, to pacify Japan, collided with American outrage over imperial atrocities, from Nanking in China to Bataan in the Philippines. Truman held doggedly to Roosevelt's demand for unconditional surrender as the atomic bomb test lighted up the New Mexico sky.

Mr. Scott describes the bombing of Hiroshima and Nagasaki with relentless pacing and harrowing detail. "The explosion carbonized people on the streets, leaving charred hands still wrapped around the hanging straps on trains," he writes of Hiroshima. "Organs evaporated, and birds vaporized in flight."

Across five Pacific War volumes, Mr. Scott has established himself as a master of conveying the human cost of war. In "Empire of Ashes," he plumbs survivors' heartbreaking accounts, bringing readers to the rubble of atomic ruins. He quotes the parting words of one Hiroshima mother, unable to free her 6-year-old daughter trapped beneath burning timbers: " 'Kazu,' she pleaded, 'I am a bad mother to you, but please forgive me. You don't want to die either, I know. Mummy isn't brave enough to stay here and die with you. I am afraid of the fire. Kazu, forgive me, forgive me.' "

With the city's immolation, Hirohito bowed to the inevitable.

*Mr. Jordan is the author of "Ike and Winston: World War, Cold War, and an Extraordinary Friendship."*

# The Long Game of a Star Player

**Integration at Second Base**
By Peter Eisenstadt
*Virginia, 344 pages, $29.95*

BY PAUL FINKELMAN

**IN THE EARLY** 1950s Jackie and Rachel Robinson sought to buy a house in the suburbs around New York City. As Rachel later recalled, the couple wanted "space, clean air, good schools, friends for our children, and a strong sense of community." Jackie's salary with the Brooklyn Dodgers paid well. Endorsements, speaking and writing brought in more money. The Robinsons were college-educated, economically successful, practicing Protestants. Who wouldn't want a famous athlete living nearby?

As the Robinsons discovered during a year of house hunting, almost no one from Long Island, N.Y., to suburban Connecticut wanted them. One seller pulled his house off the market rather than accept the full asking price from a black couple. Realtors declined to show them houses in many neighborhoods. As a commentator in Philadelphia's black newspaper noted, "Jackie is not too poor to buy a house, he is too dark." Ultimately, the Robinsons bought a vacant plot in Connecticut and built their own house. Some neighbors welcomed them; others moved away. Later in life, as a board member of the NAACP, Jackie recalled these experiences as he fought against housing discrimination.

In "Integration at Second Base," Peter Eisenstadt offers a look at baseball's color line, postwar America and a gifted athlete who evolved into a businessman, an advocate for black civil rights and an opponent of all forms of discrimination. Robinson's courage—along with his hitting, fielding and baserunning—helped set the stage for the end of legally sanctioned segregation in American society and the beginning of integration.

In 1945, Branch Rickey, the president of the Dodgers, signed Robinson, violating Major League Baseball's "gentlemen's agreement" that it was a white man's sport. Rickey always claimed he did so because Robinson was a great athlete who could help the Dodgers win a championship. But Rickey, a devout Methodist, also despised bigotry, which he considered un-Christian.

Robinson broke baseball's color line on April 15, 1947, when he took the field in a game at Brooklyn's Ebbets Field. Mr. Eisenstadt recounts how Robinson endured a season of constant racist harassment, beanballs, hate mail and death threats, before being named rookie of the year. Two years later Robinson was named the most valuable player after leading the National League in batting average and stolen bases. In 1955 Robinson led the Dodgers to the franchise's first World Series championship.

The 37-year-old Robinson retired from baseball after the 1956 season. By then most teams in the majors had African-American players. Millions of Americans regularly rooted for the success of black stars including Robinson, Hank Aaron, Roy Campanalla, Willie Mays and Satchel Paige. Such players, Mr. Eisenstadt implies, were crucial in reshaping American views about race and equality. You couldn't cheer for the black players on your favorite team without at least questioning the racist assumptions of the era.

AP PHOTO/ JOHN ROONEY

**BATTER BREW** After retiring from baseball, Jackie Robinson became a vice president at Chock Full o' Nuts, a New York chain of coffee shops.

Mr. Eisenstadt, the author of "Against the Hounds of Hell: A Life of Howard Thurman" (2021), argues that Robinson pioneered the role of the former athlete who uses his celebrity to advance political causes, in his case "the realization of full and effective citizenship." Robinson advocated for black equality as a leader of the NAACP. He also denounced antisemitism and was an active member of the National Conference of Christians and Jews. In a 1960 newspaper column about the prevalence of Jew hatred in Europe, he warned about a "revival of Hitlerism" and offered a universalist vision of civil rights: "Since every last one of us is a member of some vulnerable minority—whether it be by race, religion, national origin, political party, education, occupation or other differences—none of us is safe once group-hate is unleashed against any other."

Robinson was initially a Republican, in part because of the power of segregationist Southern Democrats. He supported Eisenhower in 1956 and Nixon in 1960 but vigorously opposed Goldwater in 1964 after the Arizona senator voted against that year's Civil Rights Act. Apart from his political advocacy, Robinson pushed for African-American entrepreneurship, which he believed was necessary for true equality. Shortly after retiring from baseball he became a vice president at Chock Full o' Nuts, a New York chain of coffee shops. He also helped start Freedom National Bank in Harlem. Despite Freedom National's mixed record—it would ultimately shutter in 1990—the bank was a community pillar that provided financing to many black-owned businesses.

**Jackie Robinson's work fighting racial prejudice wasn't limited to the world of sports.**

As Robinson observed late in life, "I cannot, as an individual, rejoice in the good things I have been permitted to work for and learn while the humblest of my brothers is down hollering for help and not being heard." This American hero understood that his personal success was no substitute for broad equality and achievement.

*Mr. Finkelman is a scholar in residence at Western New England University School of Law.*

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'In the prosecution of a favorite scheme, the best of men . . . are subject to forget the bounds of moderation.' —EDWARD GIBBON

# Where the Caesars Conquered

**Atlas of the Roman Empire**
By David Potter
*Basic, 320 pages, $50*

BY MAX CARTER

**WRITING OF TRAJAN,** who ruled the Roman Empire from A.D. 98 to 117, Edward Gibbon considered the penchant of great men for violence. "As long as mankind shall continue to bestow more liberal applause on their destroyers than on their benefactors," he reflected, "the thirst of military glory will ever be the vice of the most exalted characters." The thirst Gibbon described is timeless and unquenchable; his monumental history of the Roman Empire could hardly exist without it. The same might be said for David Potter's "Atlas of the Roman Empire: Battles, Conquests, Legions, and Rulers," which traces Rome's imperial evolution through maps, artifacts, explanatory drawings and clean, matter-of-fact prose.

As Mr. Potter observes, Rome's empire "did not emerge from nothing." Rather, it was "the ultimate failure of a previous half-millennium of history—the Roman Republic—that paved the Imperial way." In his telling, the republic's institutions were incapable of managing its many distant provinces or checking the dangerous ambitions of its own military leaders.

In the middle of the first century B.C., Julius Caesar, the republic's most politically astute and charismatic figure, cultivated personal power by shattering Roman safeguards and traditions that had been in place for centuries. He allied himself with Gnaeus Pompeius Magnus (or Pompey), Rome's top general, and Marcus Licinius Crassus, its wealthiest man.

Flouting the Senate's authority, Caesar crossed the Rubicon, the river that separated territories directly under Rome's control from the province of Cisalpine Gaul, at the head of an army in 49 B.C. He won the ensuing civil war against Pompey, his former ally, and proclaimed himself dictator. "Ironically," Mr. Potter relates, "it was fear that Caesar would make himself untouchable that curtailed his rule, that threw the Republic into its death throes, and that would, in time, give birth to the age of empire." A group of some 60 senators who viewed themselves as liberators assassinated Caesar in 44 B.C., spurring another bloody civil war.

Caesar's great-nephew, Octavian, joined with Marcus Antonius (or Mark Antony), Caesar's second-in-command, to defeat forces loyal to the republic at the Battle of Philippi in 42 B.C. Mr. Potter's accompanying map illustrates in simple terms the battle's army and fleet movements. The hollow remains of the republic gave way to empire in 27 B.C. when Octavian received the title Augustus (Mr. Potter translates the term as "extraordinary person"), having prevailed over Antony and his consort, Cleopatra, the queen of Egypt. Positioning himself as Rome's first among equals, Augustus undertook pressing military reforms, cutting the number of legions in half while deploying them for expansion in all directions. New provinces meant new recruits as well as the resources to pay off retiring soldiers. This pyramidal dynamic partly explains the empire's near-constant warfare.

**EMPEROR** A ca. fourth-century dish depicting Theodosius I, who established Nicene Christianity as the state religion of the Roman Empire.

BRIDGEMAN IMAGES

Augustus died in A.D. 14 at the age of 75—the average Roman male lived to 50. After his four-decade rule, the quality of emperors veered between competence and louche megalomania. Mr. Potter is less interested combing through the Caesars' allegedly lurid deeds than probing the workings of the state. Tiberius (42 B.C.-A.D. 37), Augustus' stepson and successor, spent most of his reign absent from Rome, luxuriating on the island of Capri. The effect, the author suggests, was lasting and unexpectedly salutary, with the new emperor's detachment strengthening Rome's "emergent bureaucracy," made up of administrators whose "whose self-interest guaranteed orderly solutions to local problems."

Left unasked is whether an administration capable of propping up even the most deranged Caesars was good for citizens of the empire. Nero, who took power in A.D. 54, was the last in the Augustan line. He was inattentive to military affairs, treated senior generals with shockingly little respect and ordered his mother's murder. Having alienated even his most obsequious dependents, Nero fled the city and killed himself in A.D. 68. His death, Mr. Potter writes, raised "a crucial question: What now qualified a man to be Rome's emperor?"

For the next 400 years, the answer varied. Under the Flavian dynasty (A.D. 69-96), Vespasian was succeeded by his son Titus, and Titus by his younger brother, Domitian. They built some of Rome's vital monuments, such as the Colosseum. Perhaps no father-son combination better demonstrates the perils of hereditary succession than Marcus Aurelius (A.D. 121-180), whose book, "Meditations," is among the empire's treasures, and his heir, Commodus (A.D. 161-192). Marcus' son, notes Mr. Potter, was nothing like his enlightened father. "Brutal and oblivious to the administrative needs of an empire," Commodus was obsessed with gladiatorial combat, declaring himself "Hercules on Earth." He was ultimately strangled to death, having survived earlier attempts to stab and poison him.

His contemporaries would have been surprised to learn that Romans came to embrace Christianity in the fourth century. The emperor Constantine (ca. 280-337) ascribed his celebrated victory at the Battle of the Milvian Bridge in A.D. 312 to the Christian God. (Whether he converted before or after the battle is subject to debate.) The creed from Constantine's Council of Nicaea (A.D. 325) established, as Mr. Potter points out, "the first official statement of the Christian faith"—arguably Rome's most consequential legacy.

A professor of Greek and Roman history at the University of Michigan, Mr. Potter does not emulate the layered syntax of Gibbon or the gossipy slant of Suetonius, the Roman historian whose writings in the second century reveled in imperial misbehavior. "Atlas of the Roman Empire" is brisk and impartial, demonstrating how the Romans' success in maintaining power owed more to their administrative proficiency than individual flair.

**For Augustus, new provinces meant new recruits and resources gained.**

The drawback of Mr. Potter's even, chronological approach is the rigid concision it requires. The dissolution of the republic is covered hastily; the clash between Caesar and Pompey gets three short sentences. Mr. Potter's brief account of Lucius Cornelius Sulla Felix (138-79 B.C.) contends that the dictator's use of violence "set the tone for the politics of Caesar's generation," but the author makes no mention of Sulla's nemesis, Gaius Marius (157-86 B.C.), without whom Sulla's example is incomplete and certainly less revealing.

No empire is defined by conquest alone. Jan Morris once said that the British Empire's truest morality, real or imagined, was the morality of fair play. The Roman Republic made much of austerity and rectitude; the empire it gave birth to could claim neither. But at its best, Rome's advanced and resilient imperial system shaped the early modern world.

*Mr. Carter is the global chairman of 20th- and 21st-century art at Christie's.*

# An Existential Dog's Days

FICTION
SAM SACKS

A French bulldog begins to question life and meaning after ingesting five parasitic worms.

**AFTER HE IS** kidnapped from his cushy California home and sent to toil as a sled dog in the Canadian Klondike, Buck, the St. Bernard-shepherd mix in Jack London's "The Call of the Wild" (1903), is gripped by the ancient impulses of his species. "In vague ways he remembered back to the youth of the breed," London writes, "to the time the wild dogs ranged in packs through the primeval forest and killed their meat as they ran it down." The tension between instinct and domesticity is at the heart of almost all canine fiction, including three scruffy, intriguing books from this year.

The most original of these is Morgan Day's impudently titled debut, **"The Oldest Bitch Alive" (Astra House, 208 pages, $28)**, about the final days of a pampered French bulldog named Gelsomina. The novel begins when Gelsomina ingests five parasitic worms after lapping up lake water. For most of her 13 years, the bulldog has lived contentedly with the married couple who own her, finding purpose in basic routine and companionship. But the illness brought on by the worms, and the stirring awareness of her mortality, activates what Ms. Day calls a "coup of the primordial." Gelsomina becomes startlingly conscious of a wider world beyond her carefully curated habitat.

Ms. Day conveys Gelsomina's strange existential awakening with a mix of narrative strategies. Chapters in the third person depict the ways that the dog's uneventful daily life of feedings and naps has been transformed by sickness. Gelsomina has always accepted that her world is capriciously bound by an Invisible Force that hurts her if she tries to venture beyond it; yet this limitation—which we understand to be an electric fence—is suddenly a torment, and she longs to slip its cruel bonds. Other chapters, written in splintered, sharply poeticized fragments, assume Gelsomina's point of view. And there are even others that elaborate the perspective of the worms, who find themselves in the unnervingly dark setting of Gelsomina's stomach and are struggling to grasp their proper place in the universe.

The blending of the prosaic with the philosophical creates a recasting of Plato's cave allegory, though Ms. Day's proximate influences often seem more postmodern. "Today I have put aside my plush ball in search of the real," Gelsomina thinks, amusingly invoking semioticians such as Jean Baudrillard, who explored simulacra and authenticity.

The theorizing goes too far, in truth. Ms. Day has the young writer's weakness for showing off knowledge and she needlessly indulges in essay-like digressions on rhetorical terms and Latin etymologies. An epigraph from Camus that opens one chapter does little except answer the pressing question of whether Ms. Day has read Camus.

But most of these intellectual flights are cleverly couched in the jowly mundanities of bulldog existence. To her owners, Gelsomina is simply a beloved pet who is growing increasingly detached and unwell. In imagining her disturbed perceptions, the novel shows the old dog's circumscribed world transfigured by long forgotten yearnings and powerfully altered understandings.

## THIS WEEK

**The Oldest Bitch Alive**
By Morgan Day

**Wolf, Moon, Dog**
By Thomas Wharton

**Etna**
By Paul Yoon

Thomas Wharton's collection of dog tales, **"Wolf, Moon, Dog" (Pegasus, 272 pages, $27.95)**, begins with a parable of domestication. Having been outcast from his pack, a feral canine called Wolf is offered an alliance by a young Stone Age human: If Wolf provides protection and helps with hunting, the boy will give him shelter and plenty of cooked meat. Somewhat reluctantly, Wolf accepts the offer, establishing a codependent relationship that the book's successive stories track across time.

Many of these stories are only a few pages in length. One is about the dog that accompanied—and inspired—the Cynic philosopher Diogenes; another centers on the canine companion of a Buddhist monk. There are glimpses of dogs' roles during the Middle Ages, the era of plantation slavery and the London Blitz. A vignette about Laika, the Soviet space dog, sets up a futurist fantasia in which a dogs-only space colony finally breaks their reliance on humans.

Mr. Wharton writes all this in a jokey, colloquial fashion. The Stone Age characters say things such as "Omygod" and "Wow, that's pretty ballsy." One story is told in rhyming couplets and another is conveyed entirely in images of paw and footprints. Readers will find the hyperactive style adorable or (as I did) somewhat yappy and annoying. It really comes down to one's preference in breed.

Paul Yoon updates the classic template of animal odysseys for his novel **"Etna" (Scribner, 208 pages, $28)**. Etna, a mixed-breed shepherd, is a mine-sniffing dog with the American military during a devastating future war in a country that is left unnamed, though hints point to the Korean peninsula. When the war ends, Etna's human and canine companions are all dead. Battle-scarred and weary, he decides to search out the coastal farm, located someplace near the fighting, where he lived as a puppy.

The trek takes Etna across a bombed-out city and into a mountain range occupied by refugees and guerrillas. He encounters dangerous people but also acquires friends. Some are dogs who have also been displaced by the war; others are compassionate humans, including a humanitarian worker with the power of canine communication. Etna's narrative is invigorated by a dog's sensibility. Smells are crucial to his descriptions. (Land mines, we read, exude a sweet-scented vapor reminiscent of toothpaste.) Etna also possesses a traumatized sadness and wisdom familiar from conventional war fiction. His longing for homecoming and the care of his mother seem like recognizably human instincts.

In his acknowledgements, Mr. Yoon writes that he was inspired by John Berger's novel "King" (1998), about a street dog who looks after a homeless couple. The dusting of magical realism and the straightforward moral schema in "Etna" put me more in the mind of cross-species fables such as Sheila Burnford's "The Incredible Journey" (1961) or "The Wild Robot Escapes" (2018), from Peter Brown's popular children's series. "Etna" is sentimental and no doubt simplistic, but its timeless storytelling formula makes it a moving experience.

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'Our sweetest songs are those that tell of saddest thought.' —PERCY BYSSHE SHELLEY

# Capital Bluegrass

**Buzz Busby**
By Kip Lornell and Tom Mindte
*Illinois, 272 pages, $22.95*

BY EDDIE DEAN

TOM MINDTE

**AS SEEN ON TV** Buzz Busby, Don Stover, John Hall and Pete Pike on the set of 'Hayloft Hoedown' (1954-55).

**AN EXODUS OF** rural migrants to postwar Washington, D.C., sparked a country-music boom that transformed that city's nightlife. A scrum of beer joints and honky-tonks with names like the Dixie Pig, Club Hillbilly and the Ozarks helped the clientele feel at home. The roughest of these establishments were known as "bust-heads" for their offstage mayhem, where future stars such as Roy Clark (of "Hee Haw" fame) learned their guitar-twanging trade as the bottles flew overhead.

One of these popular bust-heads was the Pine Tavern in downtown D.C. It was a linoleum-floored dump with a dozen or so tables and a bullet hole in the window. In the summer of 1954, the house band, Buzz Busby and the Bayou Boys, began to cause a stir, drawing a steady stream of patrons who came to listen to the music instead of brawl.

Led by Busby's machine-gun mandolin riffs and hair-raising tenor, the band had a hard-edged bluegrass-style sound that was a far cry from the homogenized, syrupy country-and-western slop heard around town. It was a display of instrumental virtuosity in the spirit of Busby's hero, Bill Monroe, who had reworked traditional string-band music into a radical fusion of old and new.

Local television producers caught wind and arranged a live audition at the Pine Tavern. "They couldn't understand why we were playing in such a sleazy place," Busby later said. The music won over the suits, and the Bayou Boys soon had their own daily program, "Hayloft Hoedown," a mix of blistering, acoustic-only live performances and manic cornball comedy skits.

Despite a run of only six months, "Hayloft Hoedown" was an immediate hit with a lasting impact. The defiantly down-home Busby struck a chord with a wide swath of viewers who didn't know roots music from rutabagas. Washingtonians of every stripe could get their fix of Busby shredding a solo on his theme song, "Mandolin Tango" or singing "Deep Freeze Mama Blues" in the safety of their living room instead of at a bust-head full of razor-toting rowdies. "We literally reached senators and little old ladies' sewing circles and everyone else," Busby recalled. "I know, because we got letters."

More than two decades after Busby's death in 2003, his seminal 1950s recordings have made him a cult hero, revered in hardcore bluegrass circles and beyond. Now comes "Buzz Busby: Father of Washington D.C. Bluegrass," his first biography. "That Buzz Busby was a frustrating, self-destructive, supremely talented figure remains beyond dispute," write the authors, Kip Lornell and Tom Mindte. "He remains an important, underrecognized figure in the history of bluegrass and an influential mandolin player whose genius is recognized more readily by his fellow musicians than by the casual fan." One devotee was the Grateful Dead's Jerry Garcia, who recorded a cover of Busby's song "Lost."

The short, punchy portrait of Busby drawn by Messrs. Lornell and Mindte sheds light on a little-known chapter of country music, when Busby and his cohorts were sowing the seeds of the fledgling, rural-based bluegrass sound in an urban setting. Mr. Lornell, a professor emeritus of music history and culture at George Washington University, has written many works on vernacular music, from a Lead Belly biography to a survey of Washington's go-go music scene. Mr. Mindte is a record producer and a musician who befriended Busby in his later years, joining his band in Washington's still-scuffling bluegrass scene of the '80s and '90s. Theirs is that rare music chronicle that offers transcriptions of mandolin solos along with detailed arrest records.

**With his rapid-fire mandolin riffs and tenor wail, Buzz Busby delighted crowds in the honky-tonks of Washington, D.C.**

Busby was one of thousands of Southern migrants who came to Washington for federal jobs after World War II. Born in 1933 and raised on a farm in backwoods Louisiana, Bernarr Busbice grew up with the Grand Ole Opry on the radio and fell under the spell of stars like the mandolin-wizard Monroe. As a high-schooler Busby performed locally; a music career beckoned, but based on his academic performance an FBI recruiter offered him a position in the bureau's fingerprinting lab.

In D.C., Busby began moonlighting in the honky tonks and was soon making more money with his mandolin than he could as a fed. The 1954 TV show made him a local celebrity flush with cash, but he chafed against the producers who he said "tried to make robots out of us." He also feuded with bandmates who tried to steer the Bayou Boys into more commercial country-and-western pastures. This was anathema to Busby the bluegrass purist.

Busby's legacy rests on a handful of recordings he made for budget indie labels such as Jiffy and Starday—"Cold and Windy Night" (1953), "Lost" (1956), "Just Me and the Jukebox" (1956) and other originals that cut to the bone. These records feature the fiery jazz-and-blues-infused fiddle playing of Scott Stoneman, a fellow wild seed and veteran of the D.C. bust-heads. According to Eddie Stubbs—a musician, historian and former Opry MC—the Busby-and-Stoneman collaborations on Starday "represent the high lonesome sound of bluegrass at its absolute highest level of intensity."

With these landmark records, Busby also introduced new citified subject matter to bluegrass. Instead of odes to the old cabin home in the mountains or the little church in the wildwood, Busby sang about the loneliness and alienation of life in the nation's capital. Call it Bluegrass Noir, and Busby the doomed auteur living out his songs.

A drinker since his early teens, Busby became hooked on painkillers in the years following a near-fatal car crash after a 1957 gig. During his long recuperation, his bandmates formed a new group, the Country Gentlemen. With a polished, progressive sound that added Bob Dylan compositions and pop songs to the repertoire, the Gents helped make bluegrass safe for the affluent D.C. suburbs in the '70s and a staple of public radio.

Meanwhile Busby bounced in and out of prison (prescription fraud, drunk driving, assault, etc.) and spent stints at psychiatric hospitals and rehab centers. He always made his way back to the stage, though, deftly wielding his battered mandolin, one of the last of the mossy old bluegrass originators who preferred the dives to the gentrified upscale places where the music had gone. "Despite all his trials, tribulations and addictions," Mr. Mindte writes, even into the 1980s Busby "was playing as great as ever and he exhibited his magical stage presence and sense of humor that had been captivating audiences since the early 1950s."

Busby entrusted Mr. Mindte with 60 hours of cassette tapes of autobiographical ramblings, which enliven a narrative that gets dry in stretches. With a voice at times bitter, befuddled and bemused at his own wrecked life, Busby emerges as a self-aware, sympathetic survivor who knew his best work came at the beginning. "I started at the top and diligently worked my way to the bottom," he said. Sounds like the lyrics of a Buzz Busby song.

*Mr. Dean is the co-author of Dr. Ralph Stanley's "Man of Constant Sorrow: My Life and Times."*

LIVES

BY JULIA M. KLEIN

# A Nimble Mind to the Very Last

**Auden**
By Peter Ackroyd
*Reaktion, 400 pages, $30*

**IT SEEMED LIKE** a charmed project: an opera by Igor Stravinsky with a libretto by W.H. Auden, one of the 20th century's pre-eminent poets. The composer's inspiration came from William Hogarth's studies for his satirical series "A Rake's Progress" (1734). Auden responded to the idea with characteristic enthusiasm. "I need hardly say that the chance of working with you is the greatest honour of my life," he wrote to Stravinsky.

A 10-day sojourn at the composer's West Hollywood, Calif., home was congenial and productive, even though Auden reportedly declined to shower or bathe. In fact, Auden's slovenliness was legendary. Stravinsky said of the poet "he is the dirtiest man I have ever liked."

Auden enjoyed collaborations, frequently teaming up with friends, including the playwright and novelist Christopher Isherwood and the poet Louis MacNeice. In this case, he enlisted the assistance of his longtime romantic partner, Chester Kallman, who had introduced him to opera.

Kallman's unexpected involvement disconcerted Stravinsky, who feared Auden's sexual inclinations were clouding his literary judgment. But their first act was promising, and a lunch with Kallman in New York further reassured the composer. "The young man's charm and obvious musical passion won him over," the British historian and biographer Peter Ackroyd writes in "Auden."

Mr. Ackroyd sees "The Rake's Progress," which debuted successfully in Venice in 1951, as the zenith of an often-tempestuous relationship. The libretto gave Kallman "a purpose he otherwise lacked," transforming him from "an apparently worthless appendage, in the opinion of others," to "a creative partner."

The couple's bond is a major throughline of Mr. Ackroyd's emotionally intimate, sexually frank biography. Kallman—quick-witted, attractive and unabashedly gay—at first made Auden, who felt perpetually unlovable, deliriously happy. But, in Mr. Ackroyd's telling, the two proved sexually incompatible, and Kallman's rejection devastated Auden. Both men pursued other sexual and romantic relationships but stayed connected despite long separations. (Surprisingly, one of Auden's most serious involvements was with a woman, Rhoda Jaffe.) Auden continued to support Kallman financially, and the two lived together off and on for the rest of their lives.

What is most astonishing in Mr. Ackroyd's brisk, persuasive account is the gulf—and, eventually, chasm—between the discipline and virtuosity of Auden's verses and his increasingly dissolute and unhappy personal life. Auden was a chain-smoker, a regular user of Benzedrine and a heavy drinker. In later years, he was visibly drunk and disheveled at poetry readings. Though rigid about his schedule, he disdained not only cleanliness and exercise but regular medical care.

Mr. Ackroyd is admiring of Auden's poetic accomplishment, from his recondite early work to the later, more conversational and religiously inspired verses that some critics have disliked. The author is less enthusiastic about Auden's penchant for rewriting his published poetry and for omitting well-regarded political poems such as "Spain 1937" (1937) and "September 1, 1939" (1939) from his collections.

Where "Auden" really shines is in its portrayal of the life. At Oxford, Auden, after considering a scientific career, reaffirmed his poetic vocation but graduated only with an unimpressive third-class degree. Even then, Mr. Ackroyd writes, Auden was "dogmatic . . . querulous, assertive and sardonic." In time, his didacticism would "lapse into bullying." He once heckled Anne Sexton at a poetry reading.

As a schoolmaster, Auden recklessly pursued underage boys, one of whom inspired his lyric, "Lay your sleeping head, my love, / Human on my faithless arm." In 1935, at Isherwood's request, he married Erika Mann, a daughter of the novelist Thomas Mann, so she could obtain a British passport. They never bothered to divorce.

With World War II looming, Auden moved to the U.S. with Isherwood. In 1946, he became an American citizen. His main base of operations was a series of squalid apartments in New York. With Kallman, he also enjoyed seasonal residences in Ischia, an island off the southern Italian coast, and Kirchstetten, near Vienna. In his final days, he returned to Oxford, where one friend saw in him "the extreme loneliness of old age."

Sometimes biographers work at a remove from their subjects. Not so Mr. Ackroyd. Skillfully collating the accounts of Auden's intimates, he offers details about the poet's sexuality, psyche, cratering appearance and deteriorating habits that are painful to contemplate. They make one (almost) want to turn away—or seek solace in the poetry.

*Ms. Klein is a cultural reporter and critic in Philadelphia.*

RUTH ORKIN/GETTY IMAGES

**OPERATIC** W.H. Auden in Venice outside the theater where rehearsals for 'The Rake's Progress' were being held in 1951.

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# BOOKS

'If I made Cinderella, the audience would immediately be looking for a body in the coach.' —ALFRED HITCHCOCK

SHORTCUTS: FICTION

By Joanne Kaufman

## A Novelist Who Aimed To Please

**DWIGHT HEIMDAHL WAS** an abusive husband to his first two wives and a neglectful father to his five daughters. "Complicated and damaged and terrible" is how Julia, daughter number three, describes him. "But we all haunted him."

Well, perhaps. But Dwight, now dead, haunts Julia right back. As a child, she tried to please him by memorizing his favorite songs and being smart and competent. "I was," she recalls, an "attention-hungry kid who wanted her father's love, and I couldn't rest until I had it. And I would never have it."

Sadly, Julia's needy, embittered—and estranged—mother, has proved herself to be as much of a horror show as Julia's father. When Julia was diagnosed in childhood with celiac disease, Mommy continued loading her up on gluten with grievous consequences. "It was always too much trouble to feed you without it," she later explains.

Kate Christensen's **"Good Company" (Harper, 256 pages, $28.99)** plays out over the course of a weekend book festival, where the now middle-aged Julia, a novelist of some note, is appearing on a panel to publicize her new memoir, "Don't Let It Bring You Down." That the event takes place at her alma mater stirs up considerable dust for Julia. That the memoir is so very frank stirs up trouble with her boyfriend, a much younger man.

The book alternates between excerpts from "Don't Let It Bring You Down" and chronicles of Julia's festival encounters with a lubricious fellow author, a former student and the woman Julia was attracted to during college.

Julia grew up with a battle plan to win men over. What they needed her to be, she would be: the sharp, amusing female buddy who listened attentively, asked the right questions, got the joke, kept her opinions to herself, held her whiskey well, was a congenial and useful wingman on a fishing trip, and—not to put too fine a point on it—was good company.

But, as she later acknowledges, "women have always scared me more than men, because the pain they've caused me always goes so much deeper, and because I take them so much more seriously."

Familiar—that is to say cliched—accounts of bad men, power games and gender inequity sometimes make "Good Company" tough going. But Ms. Christensen makes that pain palpable.

Novels about country mice who move to the city are frequently grim tales of innocence lost. Meanwhile, novels about urbanites who relocate to a rural outpost are almost invariably antic accounts of dopiness rewarded. A handy example of the latter is Daniel Mason's satiric charmer **"Country People" (Random House, 320 pages, $30)**.

For the past 14 years, Miles Krzelewski has been struggling to complete his dissertation. A meager attention span is part of the problem. But it's also because Miles—who shares the surname and the romantic nature of Lucius, the protagonist from Mr. Mason's acclaimed 2018 historical novel, "The Winter Soldier"—can't fix on a topic. It "had drifted—geographically, chronologically, thematically." Miles had studied "an obscure troubadour" only to learn after three years that the fellow was obscure for good reason; he then switched to "the body in Rabelais, then monsters in Rabelais, then monsters in French folktales" with several more scholarly pit stops before arriving at the current, but likely not final, point of concentration: peasants in Russian folktales.

Quite the contrast to Miles's sharply disciplined wife, Kate, a specialist in the poetry of Milton and Blake and an academic star. Her appointment as a visiting professor at a college in rural Greensbury, Vt., sets "Country People" in pleasantly meandering motion.

Kate and the couple's two children, Olive and Wesley, quickly settle into their classrooms. But Miles struggles futilely to stay at his desk, frequently escaping to explore Greensbury and to make the acquaintance of the town's inhabitants, a decidedly quirky lot.

They include a photographer who gets around on a mobility scooter and is compiling a compendium of foolish errors (no surprise: it's long), and an academic-turned-orchardist who teaches Miles the pleasures of scything. A plot turn involving an underground realm that's accessible by a local cave recalls the supernatural aspects of Mr. Mason's 2023 novel, "North Woods."

Marbled through "Country People" are transcripts from a call-in radio show, "The Miscellaneous Minute," which, despite its name, runs for an hour. Mr. Mason has gently ironic fun with it all.

When Miles was an undergraduate, a professor told him that people's lives could be divided into Histories, Tragedies and Comedies. Only the fortunate found themselves in Comedies. Lucky Miles. Lucky readers.

*Ms. Kaufman writes on culture and arts for the Journal.*

**SEEN** Alfred Hitchcock directing Vera Miles on the set of 'The Wrong Man' (1956). Below, a still from Hitchcock's 'The 39 Steps' (1935).

# All Eyes on Hitchcock

**A Century of Hitchcock**
By Tony Lee Moral
*Kentucky, 304 pages, $29.95*

By Jeanine Basinger

**ALFRED HITCHCOCK** (1899-1980) may be the most famous movie director of all time. He had a long career—six decades and more than 50 films. He entertained mass audiences so successfully that his murder mysteries, spy sagas and innocent-man-accused tales became their own genre: the Alfred Hitchcock Movie, often imitated but never equaled. Hitchcock became a star, easily recognized by audiences, largely due to self-generated efforts: hosting his own television series and making cameo appearances in his features. (My personal favorite is in 1944's ocean-locked "Lifeboat," when a newspaper ad for a weight-loss product features Hitchcock in the "before" and "after" photos.) Yet Hitchcock's celebrity offered him up to criticism, Tony Lee Moral claims in "A Century of Hitchcock: The Man, the Myths, the Legacy."

"A Century of Hitchcock" is "not a biography in the traditional sense," writes Mr. Moral, the author of four previous books on Hitchcock. It is a book to "present a fuller picture" of the man known as the Master of Suspense and to challenge "the accusations" of two books by the biographer Donald Spoto. Mr. Moral asserts that Spoto's "The Dark Side of Genius" (1983) and "Spellbound by Beauty" (2008) present a "damning portrait" of the director that was "perpetuated by the media." Mr. Moral further believes that both books contain what he tactfully refers to as "selective framing," regarding an interview Spoto conducted in 1980 with Tippi Hedren, the star of "The Birds" (1963) and "Marnie" (1964).

Mr. Moral is not a casual accuser. (If his book were a Hitchcock movie, it might be called "Obsession.") "A Century of Hitchcock" is based on detailed research, including previously unpublished interviews with Hitchcock's casts and crews, as well as archival materials from Britain and Hollywood. Mr. Moral has a solid understanding of Hitchcock's life and work, and a deep knowledge of the copious materials already written about him. Mr. Moral's challenges regarding Spoto's negative portrait cannot be ignored.

**A negative portrait of the director shocked audiences. An author questions its claims.**

Although the author covers Hitchcock's rise as a filmmaker—from his earliest efforts in Germany, through his formative years in his native England and on to his successful transition to Hollywood—the focus of "A Century of Hitchcock" is on its subject's "complex legacy." Mr. Moral traces the director's professional journey from "cinematic prodigy" to "undisputed Master of Suspense" and finally, because of Spoto and Ms. Hedren, to a man posthumously "scrutinized under the lens of #MeToo." Mr. Moral does not question Hitchcock's mastery of the art of cinema, nor does he deny his influence on today's filmmakers such as Steven Spielberg, Christopher Nolan and Bong Joon-ho. The author's purpose is not to define Hitchcock, but to champion him in the debate over the question, "can we separate the art from the artist?"

Audiences had accepted Hitchcock in the role he had created for himself. He was believed to be a cheerfully overweight, somewhat enigmatic British chap with a delightfully macabre sense of humor. The publication of "The Dark Side of Genius" was a shock. Its portrait of the man as a controlling tyrant, an unreliable friend and a possible abuser of Ms. Hedren was widely read and debated. Its gossipy material temporarily made Spoto himself a celebrity, even though his book had been preceded by a more positive biography, John Russell Taylor's "Hitch: The Life and Times of Alfred Hitchcock" (1978). Mr. Moral says Hitchcock's family preferred Taylor's work, and that Hitchcock "met Spoto and didn't like him." (A strong opinion was registered by Hitchcock's beloved terrier, who allegedly bit Spoto's hand.)

Mr. Moral strives for objectivity, but he does attack Spoto's character. He calls him "a social snob" and says "the very traits he condemned in Hitchcock became increasingly apparent in Spoto." He is less critical of Ms. Hedren, who is now 96 years old and an animal-rights activist. He demonstrates how her stories of Hitchcock's abuse shifted over time, reflecting "changing cultural and personal contexts." He reminds readers that Hitchcock had a strict Catholic upbringing and a marriage (to Alma Reville) of more than 50 years. He left no trail of mistresses or tawdry affairs. Mr. Moral says Ms. Hedren's claims are not supported by public statements from other actresses, even though he discusses Diane Baker's "significant discomfort" when Hitchcock entered her dressing room on the set of "Marnie" and "kissed her firmly on the lips," a story repeated by Spoto. Mr. Moral concludes that "what happened between Hitchcock and Hedren will never be known." This is safely true, which doesn't mean it doesn't matter.

Spoto died in 2023. His negative portrait was published more than 40 years ago. Most film scholars and fans have moved past his attacks. Spoto's work is not fully dismissed, but he's often thought of as something of an academic humbug. A biography that presents a balanced view of Hitchcock's life and work, and all the Spoto and Ms. Hedren accusations, is Patrick McGilligan's "Alfred Hitchcock: A Life in Darkness and Light" (2003). "A Century of Hitchcock" is a book about Hitchcock books. It questions how we interpret the flaws of genius, expands our knowledge of a major figure in film history and amplifies existing Hitchcockian studies because, as Mr. Moral makes clear, "Hitchcock will always be a giant of cinema."

*Ms. Basinger is the co-author, with Sam Wasson, of "Hollywood: The Oral History."*

## Hitchcock Highlights

TOP: ACADEMY OF MOTION PICTURE ARTS AND SCIENCES/BOTTOM: SHUTTERSTOCK

**"The 39 Steps"** (1935) The definition of the Alfred Hitchcock Movie: an innocent man accused and on the run with a beautiful blonde. With Robert Donat and Madeleine Carroll.

**"Rebecca"** (1940) His first Hollywood production and his only film to win the Oscar for best picture. A romantic Hitchcock using lyrical camera movements in an atmospheric, haunting adaptation of Daphne du Maurier's 1938 novel. With Laurence Olivier and Joan Fontaine.

**"Strangers on a Train"** (1951) The master in full command, presenting a world of guilt, murder and his most memorable (and charmingly unhinged) villain. With Robert Walker and Farley Granger.

**"Rear Window"** (1954) An experiment in controlled space and point of view by a man who has learned how to turn audiences into voyeurs while still entertaining them with excitement, glamour and mystery. With James Stewart and Grace Kelly.

**"Vertigo"** (1958) The mature Hitchcock, master of cinema as art, manipulating an audience's knowledge through a complex and unpredictable story of obsession. With James Stewart and Kim Novak.

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# PLAY

## NEWS QUIZ DANIEL AKST

From this week's Wall Street Journal

**1. Julie Masino is stepping down after a controversial tenure as CEO of which company?**

- A. Cracker Barrel
- B. Budweiser
- C. Ben & Jerry's
- D. Palantir

**2. A Kansas town called Parsons will soon host something new. What is it?**

- A. A Clergy Hall of Fame
- B. The National Corn Museum
- C. A skyscraper seven stories high
- D. An underground nuclear reactor

**3. "60 Minutes" is adding some high-profile journalists. Which of these isn't among them?**

- A. Ross Douthat
- B. Sebastian Junger
- C. Norah O'Donnell
- D. Erin Burnett

**4. A divided Fed held interest rates steady. How many on the rate-setting panel voted to increase?**

- A. One
- B. Two
- C. Three
- D. Four

**5. Testifying before Congress about Covid-19, Anthony Fauci invoked the Fifth Amendment more than 100 times. Who was his chief antagonist?**

- A. Ron Paul
- B. Rand Paul
- C. Josh Hawley
- D. Tommy Tuberville

**6. Russia accused Pavel Durov of aiding terrorism by ignoring Ukraine's alleged use of the messaging app he founded. Name it.**

- A. WeChat
- B. Telegram
- C. Max
- D. CompuServe

**7. After helping Kirkland & Ellis become the world's largest law firm, he's now all in on AI. Who are we talking about?**

- A. Harold Hare
- B. Aaron Wolfe
- C. David Fox
- D. Nathan Hedgehog

**8. A new book, "Band on the Run," won praise. What's it about?**

- A. The history of rubber
- B. An ancient army of Greek mercenaries
- C. A priceless Etruscan wedding ring
- D. Paul McCartney and Wings

**9. A company planning a strange new plane made a $3 billion financing deal with Uncle Sam. What's the outfit called?**

- A. JetZero
- B. Comac
- C. Natilus
- D. LiftOn

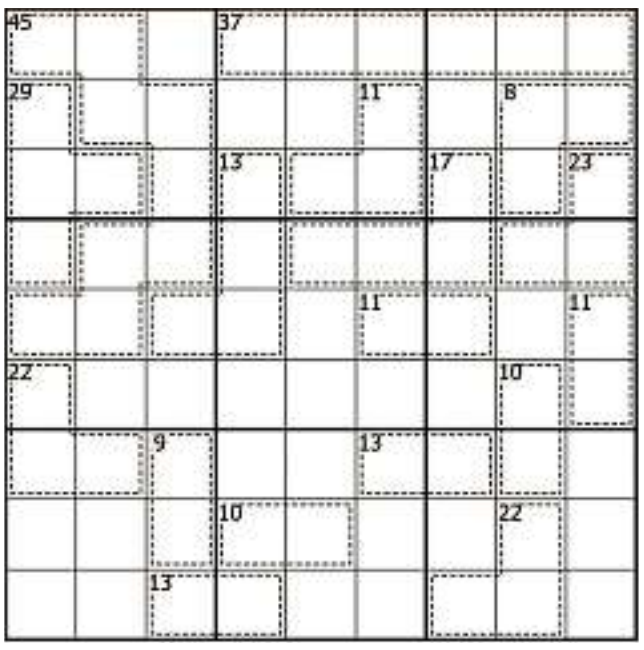
FROM TOP: TAYLOR GLASCOCK FOR WSJ; JETZERO

**Answers** are listed below the crossword solutions at right.

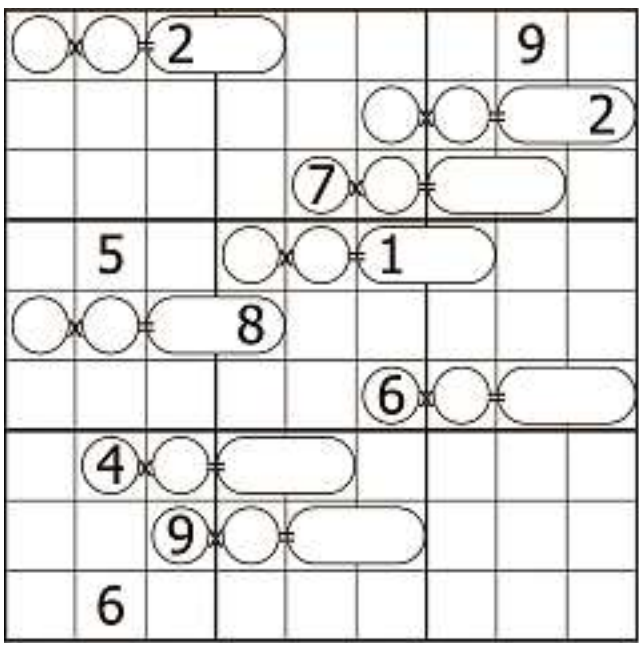
## NUMBER PUZZLES

**These puzzles have been curated for The Wall Street Journal by Simon Anthony and Mark Goodliffe of Cracking The Cryptic, the world's most popular YouTube sudoku channel.**

**Killer Sudoku: Pergola by CtC**
Normal sudoku rules apply. Digits in a dotted cage cannot repeat and sum to the total shown.

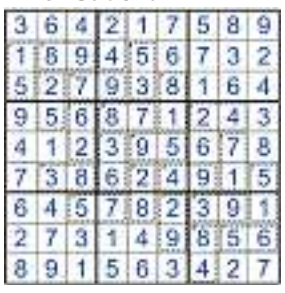



**Product Placement by CtC**
Normal sudoku rules apply. The numbers in circles multiply as indicated to give the product written left-to-right in the oval.




## SOLUTIONS TO *LAST WEEK'S* PUZZLES

**Killer Sudoku**

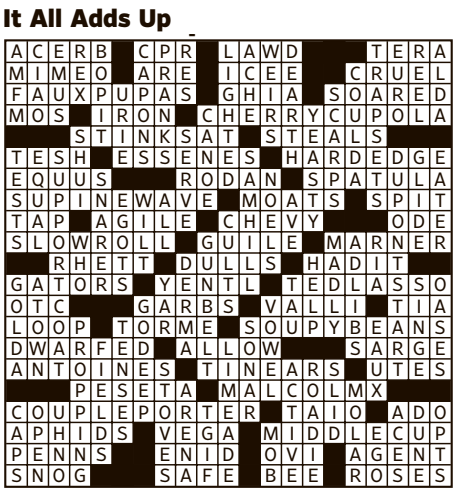


**For previous weeks' puzzles, and to discuss strategies with other solvers, go to WSJ.com/puzzles.**

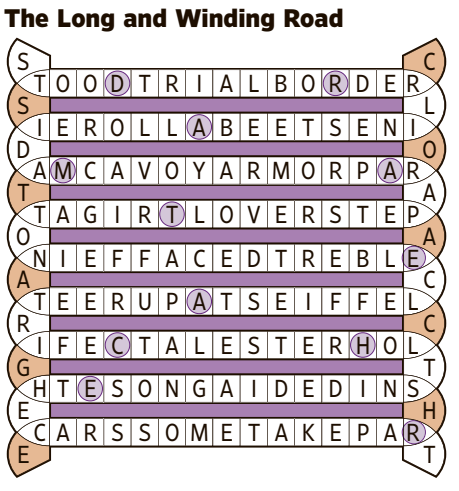
**Road Sense**

**To see the puzzles solved, go to The Wall Street Journal playlist on the Cracking The Cryptic YouTube channel.**

**It All Adds Up**

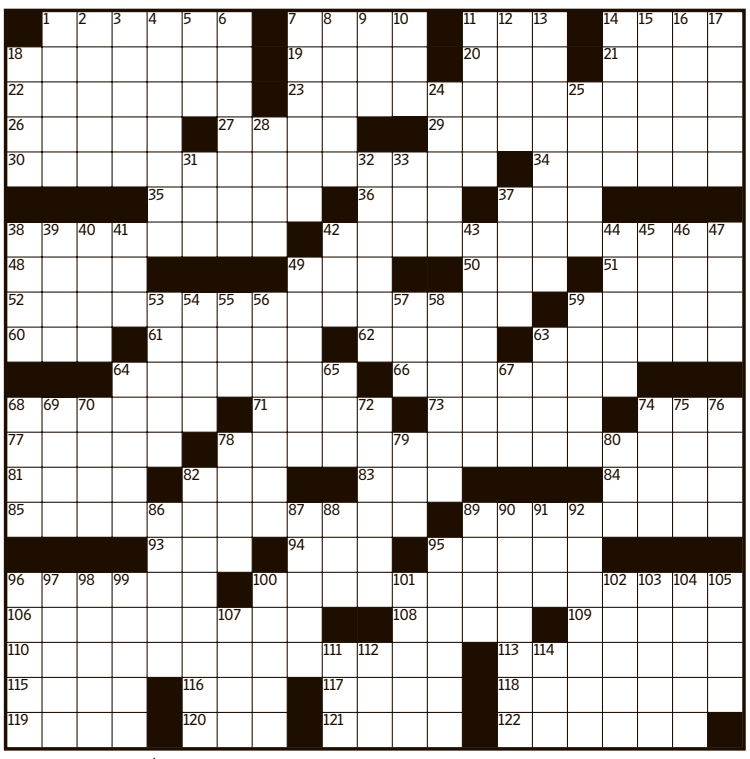


**The Long and Winding Road**



Answers to News Quiz: 1.A, 2.D, 3.D, 4.C, 5.B,, 6.B, 7.C, 8.B, 9.A

## THE JOURNAL WEEKEND PUZZLES edited by MIKE SHENK



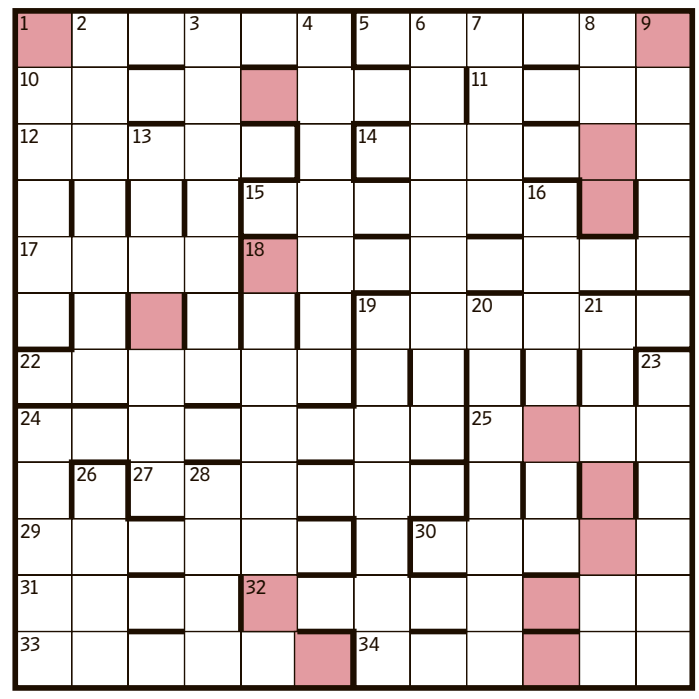
### I Got You Babe | *by Jeff Jerome*

**Across**

1 Hacker's goal
7 "1,000 songs in your pocket" advertiser
11 Hurried flight
14 Coal stratum
18 "Roamin' in the ___" (1912 Harry Lauder song)
19 Longest river entirely within Switzerland
20 Bonobo, e.g.
21 5 for B or 6 for C, e.g.
22 Home of Velázquez's "Las Meninas"
23 Grumpy or Happy on wash day, maybe?
26 Away from home
27 Hero helped by the divine monkey Hanuman
29 Road trip stops
30 GI thumbing a ride from Fort Bragg to Fort Benning?
34 Capital on the Missouri River
35 The Chariot or the Tower, e.g.
36 2013 Joaquin Phoenix movie about an AI crush
37 Take a load off
38 Olympic paddler
42 Inexperienced educator?
48 From the start
49 "___ would like to play" (2006 ad slogan)
50 Frozen Wasser
51 Cheeky, say
52 Boccie-loving Doberman?
59 "Girl, Interrupted" Oscar winner
60 Bygone jet
61 Colleague of Cleese and Idle
62 Tailless amphibian
63 Stared stupidly
64 Musket attachment
66 Chicago's largest newspaper
68 Impressively tough
71 Part of QED
73 Harden (to)
74 Business with sweaters
77 Wrong
78 "I'll take whatever beef or pork is available, thanks"?
81 Shankar with a sitar
82 Closely monitored hosp. section
83 Fraction of a joule
84 Kate, to Archie and Lilibet
85 Roy Campanella or Charles Johnson, e.g.?
89 Unspecified
93 ___ Lingus
94 Paris accord?
95 Valentine's gift
96 Evaluate
100 Praise for a former British prime minister?
106 Mobile home?
108 "Very funny!"
109 Still in the game
110 Central American plotting a coup?
113 Took a road trip
115 ___ II (Gillette brand)
116 Word after bachelor or mouse
117 Salt or smoke, say
118 Gridiron squads
119 Spanish painter with murals in 30 Rockefeller Plaza's lobby
120 "___ Beso" (Paul Anka song)
121 "You Haven't Seen the Last of Me" singer seen as the last part of this puzzle's theme answers
122 Parched place

**Down**

1 Permit
2 Acknowledge
3 Indigenous West Indian people
4 Flow forth
5 Caesar of comedy
6 Bothersome bunkmates
7 Confession starter
8 Play with, kitten-style
9 Singer Rita
10 German article
11 Focused beam
12 Bldg. divisions
13 Mrs. Lovett's wares, in "Sweeney Todd"
14 Paris's ___-Coeur
15 Anesthetic of the past
16 Lend ___ (listen)
17 Code creator
18 Polite fellow
24 Brest brother
25 Indian yogurt-and-cucumber dip
28 Cuts like ___ knife through butter
31 Three-prong Japanese weapon
32 Resurrection figure
33 Tee follower
37 Commotion
38 Line at LaGuardia
39 Yucatán years
40 Semiaquatic salamander
41 Athena's symbol
42 Bar supply
43 Calling for
44 "Jerry Maguire" director Cameron
45 Skeletal ship
46 Falco of "The Sopranos"
47 Sax piece
49 Aging facility
53 "Count me out"
54 Opposition answers
55 Day-___ paint
56 Pesto bit
57 Bed in a barracks
58 Painter/AIDS activist Keith
59 Singer Jackson
63 Spiritual guide
64 No-frills
65 Pic on a pec
67 Condescending address for a man
68 Fishhook feature
69 Human rights activist Clooney
70 Met headliner
72 "The heavens speed ___ thine enterprise!": Portia
74 Elisabeth of "Leaving Las Vegas"
75 Slammers
76 Critic's concern
78 Rent-___
79 Clearance tag abbr.
80 Hall of Famer Ripken
82 Antarctic expanse
86 Casey with a countdown
87 Sky streaker
88 Shade
89 Chris of "Law & Order"
90 Hanging one's head
91 ___ culpa
92 Mount Vernon and Monticello, e.g.
95 Lion, at times
96 Dr. visits
97 Market unit
98 Sub system
99 Put into practice
100 South American barbecue
101 Pointer's word
102 Garlic unit
103 Personnel head, at times
104 Happening
105 Cincinnati team
107 Cries of insight
111 Roman 300
112 Bewildered response
114 Bullring cry



### Lost in the Shuffle | *a cryptic puzzle by Patrick Berry*

In some answers in this puzzle, you must rearrange three or more consecutive letters before entering them into the grid. The rearranged letters will always form a new word, though the full entry may end up being a nonword. For instance, the answer SMOLDER might be entered as SMODELR, with its middle five letters shuffled to spell MODEL. (The rearranged portion may be at the start, middle, or end of the entry, or it may even be the entire entry.) When the grid is complete, use the process of elimination to figure out what got lost in the shuffle. Meanwhile, the shaded letters (reading left to right and top to bottom) will spell a question you'll want to ask.

**Across**

1 Move slowly over Korean War battle site (6)
5 Juggle no case loads (6)
10 Sculpting in ice, set elegant features (8)
11 Unfinished harvest at the back of a field (4)
12 Line beyond airport's terminal? (5)
14 Utter darkness for chess piece (6)
15 Humiliated a couple of seniors, breaking bad (6)
17 Swear word's core of hate (4)
18 Generously applies foam in a couple of seconds (8)
19 Grabbing pig's head, guest changed costumes (6)
22 Ransack Madura by mistake (6)
24 Eve's wearing Nick's puffy jacket (4,4)
25 Space dock making a U-turn (4)
27 Sharp butcher's knife doesn't hold answer (6)
29 Affairs without true love all the same (4,2)
30 Paris subway crossed central Europe (5)
31 Sicilian landmark's entry fee returned (4)
32 In disarray, Cubs miss second division (8)
33 Absolution seeker beginning to sing spiritual (6)
34 Glided by in Atahualpa's sedan (6)

**Down**

1 Lug enters tavern, sampling the local culture (2,4)
2 Massive flood upset a river once more (7)
3 British banquet speaker's greeting Peg (4,3)
4 Chewed on tip of pen and lost blood (7)
6 Easiest convertible accommodates one, in my opinion (2,1,3,2)
7 Dismiss last of the staff (4)
8 Gramophone hit delivers classic pop (4)
9 Fills seats at play (5)
13 Licentious novel—it's racy (7)
16 Expel most of narcotic with mouth unclosed (4,3)
18 Half-finished quests in scene ruined series (8)
19 Contrive a guess about oxygen: It's like hydrogen (7)
20 Former prime minister May is in attendance, escorted by TSA (7)
21 Exuberant NYU teacher put to work (7)
23 Add fancy printing to some B.S. pitches (6)
24 Endures Los Angeles streets (5)
26 Lament broken knee (4)
28 Efficient list (4)

▶ **Get the solutions** to this week's Journal Weekend Puzzles in next Saturday's Wall Street Journal. Solve crosswords and acrostics online, get pointers on solving cryptic puzzles and discuss all of the puzzles online at **WSJ.com/Puzzles.**

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MY MONDAY MORNING | BY LANE FLORSHEIM

# Chipotle Founder **Steve Ells** Really Loves Breakfast

Burrito bowls are out; now, it's sandwiches from his new Counter Service

Chipotle founder Steve Ells would like to take credit for the lunch bowl as we know it.

When Ells, 60, started the burrito chain in 1993, "customers were opening their tortillas in those red baskets and using a fork," said Ells. Some were eschewing the carb entirely, which made for a messy, leaky situation. Ells took a red basket to a paper mill in Portland, Maine, and said, "I want a paper bowl in this shape." The burrito bowl debuted in 2003, and within a couple of years, it was more popular than Chipotle's original offerings.

Two-plus decades later, we may already be past peak bowl. "There's been a lot of chatter about 'slop bowls.' Maybe there's fatigue," Ells said. While he thinks they will always have a place, Ells, who left Chipotle in 2020, has turned his focus to sandwiches.

Last year, he launched Counter Service, a sandwich shop with slow-roasted meats and homemade bread and sauces, which now has five New York City sites, with plans to open in locations like Charlotte, N.C., and Dallas next year. Counter Service was a pivot from Ells's first post-Chipotle concept, a vegan chain where the food was made in large part by robotics.

Ells, who trained as a chef at the Culinary Institute of America before starting Chipotle, lives in New York with his partner, design entrepreneur Tariq Dixon. Here, he discusses the last great book he read, eating sandwiches every day and his lengthy breakfast routine.

**What time do you get up on Mondays, and what's the first thing you do after waking up?**
Usually a little before 6 to 6:30ish. Breakfast is about two hours. We make breakfast together, and then we do emails, chat, sometimes there's a call, then I try to get through a couple of papers. There's personal calendar stuff, which is so complicated. When I was at Chipotle, I had a personal assistant who managed the calendar, and when I retired 5½ years ago, I decided I was going to do my own. I'm terrible at it, so I have to dedicate my Monday to sit down and do the calendar.

**What do you make for breakfast?**
Every morning, we have eggs and toast, or lentils or some kind of grain like farro, avocado, always a salad—lots of chicories, with only olive oil and a little flaky salt. Yogurt, nuts, fruit occasionally.

**What's your workout routine like?**
Monday is a gym day with my trainer. I've had a wonderful personal trainer for five years. He's a professional body builder, and he's like, hulking, orange, veins popping, and here I am. My passion is skiing, so we do a lot of training to stay flexible and keep muscle mass.

On days when I'm not at the gym, I do some kind of cardio: running, swimming, cycling. When I'm in the city, especially when the weather is nice, I'm on a Citi Bike multiple times. It's made the city very, very small. When you have to get in a car, it's so frustrating. It takes forever.

**What makes Counter Service different from other chain sandwich restaurants?**
Our bread has four ingredients: flour, water, yeast and salt. We bake it every day. And our meats are beautiful cuts of meat that we season and marinate and cook, slice. The pieces of meat are not perfectly shaped like the things you see in these chain sandwich places. We're making all of our sauces and relishes and garnishes. It's difficult to do these things.

**How worried are you about cyclospora?**
It's really scary. Of course, I know a lot about food-borne illness, and there are pathogens out there, and it's incumbent on us to put barriers, and so we are, of course, monitoring this very, very closely. We are not using the kinds of things that have been identified.

**I read that Counter Service has developed technology that can detect whether an order is assembled incorrectly. Are you working on any other technology that's exciting to you right now?**
We have a team of engineers who spend time in the restaurants looking at crunch points and trying to understand where there's friction—all the way from predicting sales by knowing how many cars are crossing the bridge and how many riders are coming through on transit and the weather and holidays and school schedules. All of this helps us determine volumes, which has an effect on inventory, which has an effect on staffing.

**As a chef, what's your favorite thing to cook for yourself?**
A simple pasta. Actually, the other day, I grilled a pork shoulder, started it just a little after noon and had it for dinner. It was just slow cooking on the grill and constantly feeding the fire. That's a lot of fun.

**What's your relationship with your phone like? Do you doomscroll?**
Of course, I do. I think that anybody who has a device does. I'm much more aware of it now. I really try to pick up a book, or if I have a printed newsletter, I think that's for me a lot healthier. I notice a tension when the device has control of me.

**What's the last great book you read?**
The last book I read happened to be great, "London Falling" by Patrick Radden Keefe. Just the prologue—starting it in London in Roman times—I was hooked 30 seconds into reading.

**Do you still eat at Chipotle?**
So I ate at Chipotle every day, sometimes multiple times a day, for 27 years. Now, I eat Counter Service every day. I take meetings and visit friends. Sometimes I just pop in and have lunch by myself.

**What do you like to splurge on? And is there anywhere you like to pinch pennies?**
I notice myself being really irked by little charges from apps. It just drives me crazy trying to unsubscribe from these things. I spend hours trying to figure this stuff out. They're really pernicious; these developers make it very difficult. So I probably spend way too much time trying to save a bit of money on these things out of principle. I probably splurge on food and wine. It's the thing that I love.

**What's one piece of advice you've gotten that's guided you?**
Ultimately, the most important thing you have is your health and your family and your friends, and I notice myself spending more time on those things than I did when I was younger. In fact, I probably neglected those things in my 27-year sprint at Chipotle, and I got better at the end. But I feel like I'm much more balanced today.

*This interview has been edited and condensed for clarity.*

MELANIE DUNEA

MASTERPIECE | THE MOGAO CAVES (FOURTH TO 14TH CENTURIES)

# A Living Record of Devotion

By Zachary Ginsberg

**AT THE EDGE OF THE GOBI**
Desert in China's Gansu province, where sand blows sideways and fried camel hump is a local delicacy, sit the Mogao Caves: one of the most important repositories of Buddhist art in the world. As I approached the site on my tour bus—the only sanctioned way to visit—hundreds of locked red doors protecting the grottoes came into view, speckled across a sun-bleached cliff face more than a mile long.

What seems like an unlikely location for a monument today made perfect sense in its time. Dunhuang, the city nearest to the caves—about a day's journey away by foot—was once a crucial trading hub on the Silk Road. It was the last chance to pack supplies before the route's most arduous section, and the first oasis one saw on the way back. From the fourth century to the 14th—when sea travel gradually replaced overland caravans—merchants, laborers, religious leaders, and government officials from across Eurasia convened there to exchange goods and culture.

Perhaps the most popular commodity of all was Buddhism, whose promise of tranquility attracted a critical mass of Chinese followers in the fourth century, tired of violence and chaos. As the religion grew, travelers passing through Dunhuang started to carve caves into the nearby rock as places to pause and meditate. The first were spartan nooks, just large enough to shelter one hermit from the elements. Later, merchants and government officials sponsored larger and more elaborately decorated caves to curry karmic favor on their journeys, as well as to promote their particular religious and aesthetic visions. Together, these 492 caves covered in over 400,000 square feet of murals form an unparalleled palimpsest of a millennium of Chinese art history.

Mogao always was—and still is—a work in progress. What we see today is different from what Tang artisans saw in the seventh to 10th centuries when hundreds of caves were under construction at once, with bright reds and purples not yet decayed due to oxidation. That was different from what people encountered in the last few centuries of the caves' construction, when later rulers sponsored artisans to plaster over and redecorate many caves under a uniform style—or from what White Army soldiers, seeking refuge after the Russian Revolution, saw when they scribbled Cyrillic graffiti on the walls. And all of that is different from what future visitors will see, as the state-sponsored Dunhuang Academy, the same group that unlocks the red doors, employs an army of conservators to preserve and study the caves.

One of the most common subjects, repeated across many dynastic styles, is the debate between Manjusri (the bodhisattva of wisdom, an enlightened being who stays in the material world to help others) and Vimalakirti (a wealthy patron and rhetorician so skilled that the Buddha himself sent Manjusri down from heaven to challenge him). In Cave 103, the two figures sit on opposite sides of the doorway. Vimalakirti leans over the edge of his canopied bed with an impatient stare, as he argues that it is possible to enjoy earthly life while still abiding by Buddhist nonattachment. Manjusri, with a calm smile, gently raises his hand to counter that the true nonmaterial essence of the Buddha can never be comprehended before transcending the material world. The winner is left for us to decide.

The walls and ceilings of that cave, as well as numerous others, are covered with hundreds of small Buddhas sitting cross-legged in an overwhelming grid of evidence that countless people before us have pondered the same mysteries to no certain end. Buddhas float overhead like a divine ideal but also weigh down on their visitors, impressing on us the difficulty of ever reaching enlightenment. In some caves where enlightened paradise is depicted, it's utopic: singers and dancers prancing in revelry. Clouds billow and curl; chariots race upward, representing sutras that may deliver you to heaven. In other caves, the final destination is more foreboding—walls are stained ox-blood red; larger-than-life sculptures of demons scowl and bare their teeth, spears in hand; gods dart across the walls—stressing the severity of a true pursuit of enlightenment.

The central and most prominent cave houses a Buddha sculpture from A.D. 695 over 100 feet tall—hidden from the outside by a facade disguised as a multistory building. When I entered through a small door at ground level he emerged from behind a low ceiling, and standing next to him I was no taller than his toes. The only way to see him is by staring straight up—but even then, much like the secrets of the universe, you can never get a full view. The experience suggests that to achieve enlightenment, one must embrace these limitations, come to peace with contradictions, and maintain faith in a larger order that we cannot fathom. The Mogao Caves offer a taste of what it must feel like to get to that point, only to leave you wanting more.

A facade covers the central cave, which houses a vast Buddha sculpture.

*Mr. Ginsberg is a writer, curator and artist based in New York.*

GETTY IMAGES

**AI for the Chic Guy**
Why tech giants are dropping branded chore coats **D2**


# OFF DUTY

FASHION | FOOD | DESIGN | TRAVEL | GEAR | CULTURE | WELLNESS THE WALL STREET JOURNAL. * * * * Saturday/Sunday, August 1 - 2, 2026 | **D1**


**Holy Water**
Premium H20 brands promise purity, but the science remains murky **D3**

# *Culture To Catch Up On*

**Life slows down in August, making it an ideal time to binge on the best entertainment you might have missed from earlier this year. Start with the stuff on this list—a mix of blockbusters and little-talked-about gems.**

*Please turn to page D6*

CRISTIAN MERA FOR WSJ; CLOCKWISE FROM BOTTOM RIGHT: BBC/BAD WOLF; PENGUIN RANDOM HOUSE AUDIO; LAS CULTURISTAS; FOCUS FEATURES/EVERETT COLLECTION; HBO; PENGUIN RANDOM HOUSE AUDIO; COLUMBIA RECORDS; MGM/EVERETT COLLECTION; HBO; A24

## Inside

**GRACEFUL BY DESIGN**
Totally smooth foreheads are out. Strategic wrinkles are in. **D4**

**PETAL TO THE METAL**
Dan Neil takes the new Lotus Emira 420 Sport, a midengine sports car, for a spin around the track **D11**

**MARYLAND IS FOR WINE LOVERS**
Virginia may get more attention for wine, but Maryland is the better bet for an easy—and delicious—road trip **D8**

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# A Softer Side of Artificial Intelligence

**OpenAI, the creator of ChatGPT, is the latest major technology firm to make a foray into lifestyle products. The move, like AI itself, has drawn criticism.**

By Jamie Waters

'Nerd merch." "Taste-slop." "Mortifying." These are just a slice of the heated online reaction to a new release from OpenAI: a line of clothing and accessories, including $15 ribbed socks, a $175 half-zip sweatshirt and, for reasons not immediately apparent, a green ChatGPT basketball.

Ben King, OpenAI's design director, has heard the feedback. "We've seen everything—good, bad, a little bit funky," King said in his first interview since the collection dropped mid-July. But, he continued, "the numbers don't lie." Supply Co., the company's online store, is already selling out of some items. News Corp, owner of The Wall Street Journal, has a content-licensing partnership with OpenAI.

A $70 ChatGPT basketball has sparked buzz.

Its launch follows other leading AI firms selling their own branded merchandise. A $239 made-in-America chore coat from defense-tech giant Palantir, released in April, sold out within hours, according to the company.

"It's like when your favorite band releases a new T-shirt," said Dorothy Bartomeo, 40, who runs an AI research company in Middletown, N.Y., and purchased a $40 OpenAI tee with the slogan "Good Research Takes Time." She also loves the look of a Codex-branded hoodie, which references the coding agent, but finds the graphics on the sleeves hard to read. "I do think, fashion-wise, they need to work on that a little bit," she said.

AI companies rule the modern world, dominating the economy and shaping our daily decision-making. Now, they want to conquer our closets, too. In a time of heightened tech backlash, companies are releasing stylized merch that let groupies rep their beloved brands, while repelling skeptics who view AI as the end of the world as we know it.

As anti-AI sentiment has risen, some companies have discouraged staff from wearing corporate logos because of the risk of attacks from members of the public. Still, brands continue to inspire devoted followings from tech evangelists.

OpenAI has occasionally released one-off items to "give the audience a little peek into [our] ecosystem," King said, but the company wanted to share more products with its fans.

King's team has been designing merch for two years. In summer 2024, they released their first limited line of items for employees, all free. "Everyone froze and jumped onto the site—we probably delayed a lot of model progression," King said, laughing.

Some OpenAI developers hacked the site to get 200 water bottles, so it had to be rebooted. One employee started a "Burning Man-style" barter-only Slack channel where folks could trade one item for another. On this channel, employees give "a lot of feedback," said King. Most notes involve logo size—they want them visible, he said, but not "splashed like on a billboard."

Since then, Supply Co. has released tees, caps and random items such as rice cookers and folding chairs to commemorate company offsites and research and product milestones. King has seen Sam Altman, OpenAI's CEO, in one of the hoodies. He said the late streetwear designer Virgil Abloh was a reference point for the new collection.

**AI companies dominate the economy and shape our daily decision-making. Now, they want to conquer our closets, too.**

Valued at $852 billion, OpenAI does not need to flog $45 Bloop-the-bot-covered tote bags that say "Building Things." Nor does Palantir need to sell chore coats and tennis skirts to meet its bottom line. Instead, these moves resonate as a soft-power play—an attempt to expand their brand identity. OpenAI's new collection was photographed on models posing against an Instagrammable olive-green backdrop, much like a shoot from a fashion brand. Eliano Younes, Palantir's head of strategic engagement, has called the defense company a lifestyle brand on X.

David Aaker, the author of several bestselling branding books and vice chairman of consultancy firm Prophet, called these a smart brand-building move. "The old way of throwing money at an advertising budget just doesn't work anymore," he said.

"It's hard to imagine big tech companies are truly striving to become known as successful apparel brands," said Simeon Siegel, senior managing director at the investment bank Guggenheim Securities. "More likely, this feels like a way to literally brand other people."

OpenAI's website states that Supply Co. will feature collaborations, experiments and "physical expressions of research energy," a wonderfully tortured marketing phrase that, according to King, means merch will be linked to company milestones rather than released with the timing of fashion collections.

Of the items in its online store, "the basketball seems to be what everyone is talking about," said Bartomeo, though she's not quite sure why. (For those wondering: It's a nod to the Golden State Warriors, whose arena is across the street from OpenAI's HQ, King said.) Being an active member of the company's online community has earned Bartomeo certain benefits: A Codex ambassador sent her a free Codex Micro keyboard ($230).

Jared Diaz, 35, has OpenAI's and Codex's logos tattooed on his wrist. Diaz, who works for the Army & Air Force Exchange Service in El Paso, Texas, builds apps in his spare time—and loves how Codex and ChatGPT have bolstered his coding ability.

He recently bought four items from the new collection. He already owns pieces from previous releases, including a cap and T-shirt with the OpenAI logo. He likened wearing those to his limited-edition Kaws streetwear hoodies, in that they elicit a lot of "Where did you get that?" responses.

They also spark anger. OpenAI is currently building a data center near El Paso with Oracle, and quite often when Diaz has worn the hat and tee, strangers have approached him and said, "Do you know what they're doing to our community?" He'll respond, "Everybody is welcome to their own beliefs."

He said that, much like with sports clubs, everyone now chooses their AI team, whether that's Anthropic's Claude, Perplexity or Google Gemini.

"I picked OpenAI."

Jared Diaz already owns OpenAI pieces from previous releases.

**WEARABLE TECHNOLOGY** A ChatGPT long-sleeve shirt goes for $50 at OpenAI's online store, Supply Co.

**SILICON VALLEY STYLE** / WHAT AI GIANTS ARE SELLING

FROM TOP: OPENAI; PALANTIR; JARED DIAZ

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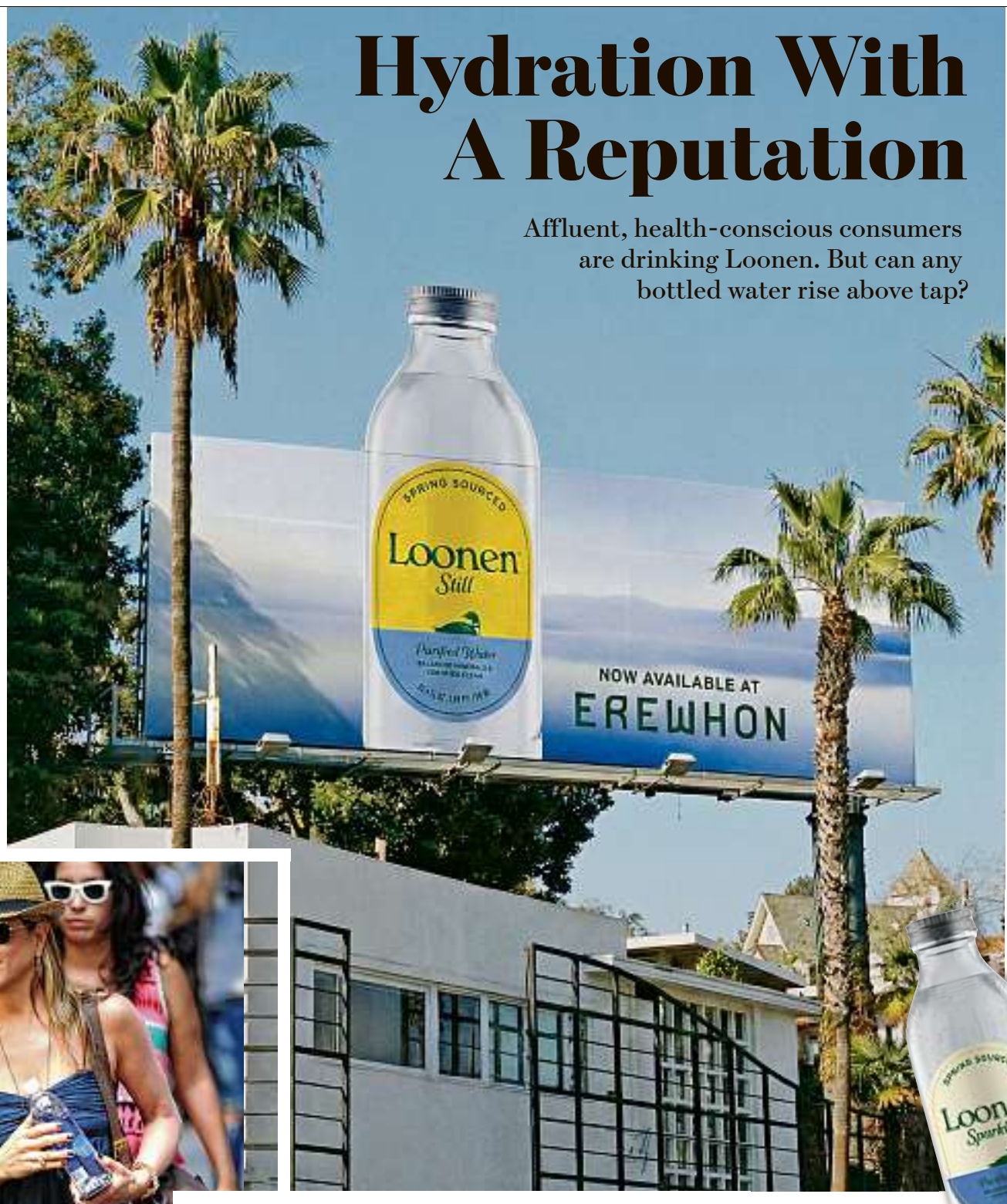
# Hydration With A Reputation

## Affluent, health-conscious consumers are drinking Loonen. But can any bottled water rise above tap?

By Fiorella Valdesolo




THIS summer's hottest drink isn't a matcha latte or a billion-dollar smoothie. It's a bottle of water.

From the shelves of bougie Los Angeles grocer Erewhon to private events at clubs like Casa Cipriani, Loonen water has become the chosen hydration of the chic, affluent and health-conscious. Its glass carafes appeal to eco-anxious consumers who want to eradicate microplastics from their lives.

And as water filtration has become an obsession of the rich, the brand's stainless-steel process has helped it market $3.99 bottles (and at some stores, nearly $6 bottles) to an upscale clientele.

"Loonen has become this if-you-know-you-know 'wellness girl' accessory," said Whitney Fransway, a star of the Bravo reality show "In the City."

Real Housewife Lisa Rinna and pop star Dua Lipa have posted online with bottles in frame. Loonen said it sends free products to "people we think might genuinely be interested" but does not pay influencers.

"It kept showing up in my feed for weeks before I ever saw a bottle in person," says Allegra Lorenzotti, brand director at Ash Hotels. Suddenly, there it was: at her gym, in the "Tribeca mom stroller," for sale at the upscale Happier Grocery.

Every few years, a new, elite form of hydration seizes the zeitgeist.

Evian gave way to Fiji. Jennifer Aniston made Smartwater a cultural phenomenon. Liquid Death gave hydration an air of vice for the Cali-sober concert crowd. Mountain Valley's green glass bottles, guzzled by Jay-Z and Gwyneth Paltrow, were for moguls. Essentia, the supercharged ionized alkaline water, was for models and Kardashians.

Celebrities often help keep hydration trends in the zeitgeist. Actors Jennifer Aniston, above, and Jason Momoa, right, have bottles of water at the ready.

"Once plain water became suspect, it became a category you could charge a premium to solve," said Jenna Movsowitz, co-founder of Express Checkout, a Substack newsletter about trends in consumer packaged goods.

Loonen was founded in 2025 by Clara Sieg, who cut her teeth in venture capital, and David Kimmell, a former Spindrift executive. Sieg said that when she was trying to get pregnant, she became curious about what was in her water, food and household products.

"It led me down a path of learning a lot about microplastics and endocrine disrupters and how bad they are for your health," she said. Studies have found bottled water contains higher levels of microplastics than tap.

Sieg said Loonen aims to be transparent with consumers about its products. She said Loonen sources from a Southern California spring, uses stainless-steel filtration (never any chemical intervention or plastic, Sieg said), then adds natural minerals like Celtic Sea salt, magnesium, potassium and calcium. It publishes quality reports on its website that it says are conducted by third-party laboratories. Its bottles feature QR codes that direct to those reports.

Loonen declined to say how many bottles it had produced to date but shared that it is available in 2,000 stores, restaurants and cafes, as well as on Amazon. The company raised $6.1 million in seed funding last December, according to PitchBook.

In the fancy-water market, Loonen is nowhere near the top of the price-point index. At The Row's fashion show in Paris last fall, the only refreshment was bottles of Litewater, which claims to be the "purest in the world" ($248 for a 12-pack of its glass-bottle 5 ppm Deuterium Depleted Water).

Luxury hydration brand One Water Global (about $45 for a 20-pack) was the sponsor at Davos last year. Celebrity facialist Iván Pol gives clients like Emma Stone a glass of Hallstein water ($71 for a six-pack) before his signature Beauty Sandwich treatments.

According to Tribeca Beverage Company, a distributor that delivers countless gallons to the five boroughs of New York, requests for alkaline (over spring and distilled) have skyrocketed.

"Consumers are increasingly willing to trade up to functional options that offer health benefits," said Matt Herrick, CEO of the International Bottled Water Association, adding that the global alkaline market is valued at around $5 billion.

"Health really is wealth right now," said Sammy Nussdorf, founder of luxury grocer Meadow Lane. His store was the first in New York City to stock Loonen, selling 2,700 bottles in its first two weeks.

At the end of the day, water is water.

Roger Fielding, a professor of nutrition at Tufts University, said there's no evidence that elite brands have any sort of biological or physiological advantage over other bottled waters.

Samantha McBride, a University of Pennsylvania professor studying water security and sustainability, said it's unlikely that any bottled versions are completely free of microplastic traces.

"Plastics are everywhere," she said.

While its bottles are glass, Loonen's caps contain a plastic lining, though the company says it is unpainted, uncoated, PFAS- and BPA-free. The June quality report published on its website says an independent laboratory did not detect microplastics in its water. In June, the app Oasis, which lets consumers scan product bar codes and view independent testing data, said a bottle of Loonen it sent for testing showed higher levels of microplastics than other glass bottles it had analyzed. Oasis declined to comment.

**'Once plain water became suspect, it became a category you could charge a premium to solve.'**

"We've reached out to Oasis a few times to better understand the lab they used, their methodology, and the chain of custody for the samples, but they haven't shared that information with us," Loonen said in a statement.

"As they note in their own video, testing instruments can contain some of the same materials identified in their results, which is a known cause of false results."

The promise of these premium waters is purity.

"You're not buying an ingredient, you're buying proof of what's been removed," said Movsowitz.

It's peace of mind in the form of marketing. Pour it in a pretty bottle, sprinkle some social-media buzz and you have a product that's as much about joining a cultural moment as it is about the water itself.

Recently, cookbook author and food-world oracle Alison Roman gave Loonen her social-media stamp of approval after discovering it at the Two Bunch Palms hotel in Desert Hot Springs, Calif.

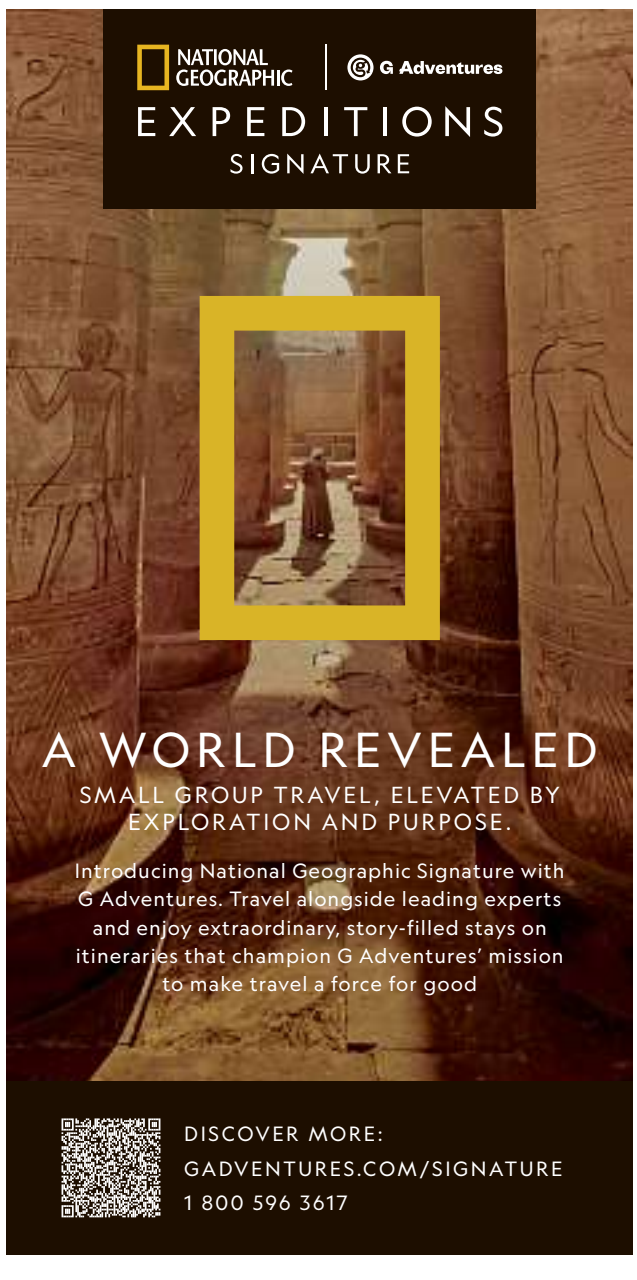
"I'm so offline these days that I thought I had unearthed some cool legendary West Coast water brand, only to be served an Instagram ad for it later that day," Roman said.

**LIQUID ASSET**
Loonen is available in 2,000 stores, restaurants and cafes. The brand was founded in 2025.

FROM TOP: LOONEN; KRISTIN CALLAHAN/SHUTTERSTOCK; AFF-USA/SHUTTERSTOCK; ISTOCK

## Sipping Stereotypes

What your go-to water says about you, whether you like it or not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# On Foreheads, an Urge For Strategic Wrinkles

## Dermatologists say clients are increasingly asking for treatments that help preserve fine lines and facial expression

By Alina Dizik

**After years** battling her forehead wrinkles with Botox injections, Stephanie Abend realized something surprising: She wanted some of them back.

She felt like the smooth, shiny skin she had worked so hard to achieve was giving the wrong message—that, at 45, she was trying to look younger than her age. "When you're in your 40s, it's like you're pointing an arrow at your head," Abend said, as if daring those around you to speculate about whether you get work done.

Today, Abend continues getting Botox injections, as well as fillers, elsewhere on her face. But she keeps some of her forehead wrinkles for an "elevated" look that doesn't feel overdone, she says.

Abend, a family office executive in New York, is one of many who are reconsidering their fight against forehead lines. Since Botox was approved to temporarily reduce the appearance of wrinkles in 2002, cosmetic neurotoxins that relax muscles in the face have become so popular—and widely accessible—that a totally smooth countenance has lost some of its aspirational cachet.

Now, some clients 30 and older are seeking out dermatologists and aestheticians with nursing degrees who can help them maintain a slight patina of wrinkles—at least enough for furrowing and raising the brows.

Dr. Anthony Rossi, associate professor of dermatology at Weill Cornell Medicine in New York and founder of the skin-care brand Dr. Rossi, calls the trend "strategic wrinkling." Of the clients that seek it out, Rossi said: "It gives them a little bit of character."

In addition to helping clients achieve elegantly lined foreheads, Rossi said he works with an increasing number of people who want to keep some wrinkles around their eyes. Many of them still use Botox and fillers, which help smooth and restore volume in the face, but a lot less. In many cases, they add other treatments to their regimen. Those treatments may help with a more subtle look but can still cost thousands each year.

Anetta Reszko, a New York dermatologist, said those treatments include "skin boosting" injectables like Skinvive by Juvederm, which delivers hyaluronic acid under the skin for a smoothing effect.

Another is radio-frequency microneedling, which combines tiny punctures with heat to reduce the appearance of lines.

Costs for both can vary, Reszko says, but at her practice, Skinvive costs around $800 to $1,200 per treatment and is recommended twice a year, while radio-frequency microneedling costs $1,000 to $2,500 per session. Reszko often recommends her clients have an initial series of two to three radio-frequency microneedling sessions, followed by one annually after that.

Other popular treatments include fractional laser resurfacing, which is meant to stimulate collagen production, as well as surgical procedures that remove fat from other parts of the body to inject into the face.

According to the latest data from the trade group American Society of Plastic Surgeons, published in 2024, fractional laser resurfacing cost on average some $1,800 per session, while fat-removal-and-injection procedures cost between $3,000 and $5,500.

Neurotoxin injections, including Botox, Galderma's Dysport, Merz Aesthetics' Xeomin, Evolus' Jeuveau and Revance's Daxxify, are still the most popular minimally invasive procedure in cosmetics, according to the American Society of Plastic Surgeons. The number of procedures increased 4% to 9.88 million in 2024 from the year prior, according to the group.

Lacey Harris, 40, an orthodontist in Friendswood, Texas, still uses Botox throughout her face, including in her forehead and around the mouth, but said she has started asking for fewer units recently. "I'd rather be able to look a little surprised and have natural movement," she said.

**Some want to maintain a slight patina of wrinkles—for furrowing and raising the brows.**

Other clients have moved away from Botox because they felt neurotoxin injections created problems for them.

In general, the injections work by temporarily blocking nerve signals to facial muscles, particularly in the midforehead and around the brows. Too much product (or product placed incorrectly) can create drooping in unwanted places.

One common complaint from older clients is a "parenthesis" effect, said Reszko, which is when newly formed curved wrinkles appear above the brows after too much neurotoxin injection.

Doris Day, a New York-based dermatologist, tells her patients and social media followers to swap frequent forehead Botox appointments for facial exercises. She said her "Ear Lift"—an exercise she practices in which she squeezes the jaw muscles around her ears—helps decrease brow-furrowing with lateral movements. "I try to teach people authentic good facial posture," she said.

Rossi, the New York dermatologist, used to get Botox injections to avoid forehead wrinkles but has stopped. Letting the top half of his face move more allows him to look more trusted and convey years of medical expertise, he said.

Though he still makes use of cosmetic procedures, he prefers to leave the smile lines around his eyes intact, taking the advice he often gives to his patients. "I keep my wrinkles as well," he said.

**ABOUT-FACE** Stephanie Abend stopped getting forehead injections.

MARI FOUZ FOR WSJ; ISTOCK; STEPHANIE ABEND

### The Cost of Aging Strategically

Some Botox users, seeking subtle signs of aging, are getting fewer units and investing in these treatments instead

**Injectable skin boosters**

**PRICE** $800 to $1,200 per treatment

These treatments, which include Skinvive by Juvederm, involve dozens of microdroplet injections of hyaluronic acid to deliver extra moisture to the skin. Reszko, the New York dermatologist, described them as a way to improve glow in thin, crepey areas of the face without adding volume.

**Fractional laser resurfacing**

**PRICE** $1,800 per treatment, on average

Intended to stimulate collagen production, this procedure targets multiple layers of the skin with controlled microbeams of light. It softens the face without entirely removing wrinkles, said Dr. Anthony Brissett, a facial plastic surgeon in Houston. Recovery can take between seven and 10 days.

**Radio-frequency microneedling**

**PRICE** Between $1,000 and $2,500 per treatment

Devices for this treatment use small needles that penetrate skin and deliver heat, which also stimulates collagen production, said Brissett. The process preserves natural facial movement and expression, and the skin's texture gradually improves over a few weeks, he added.

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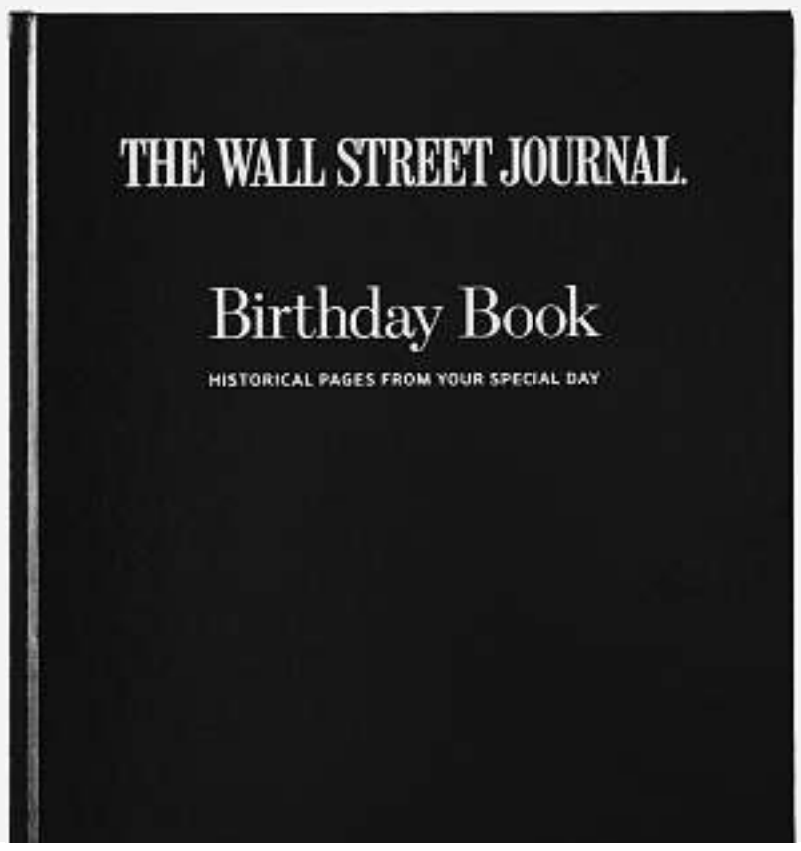


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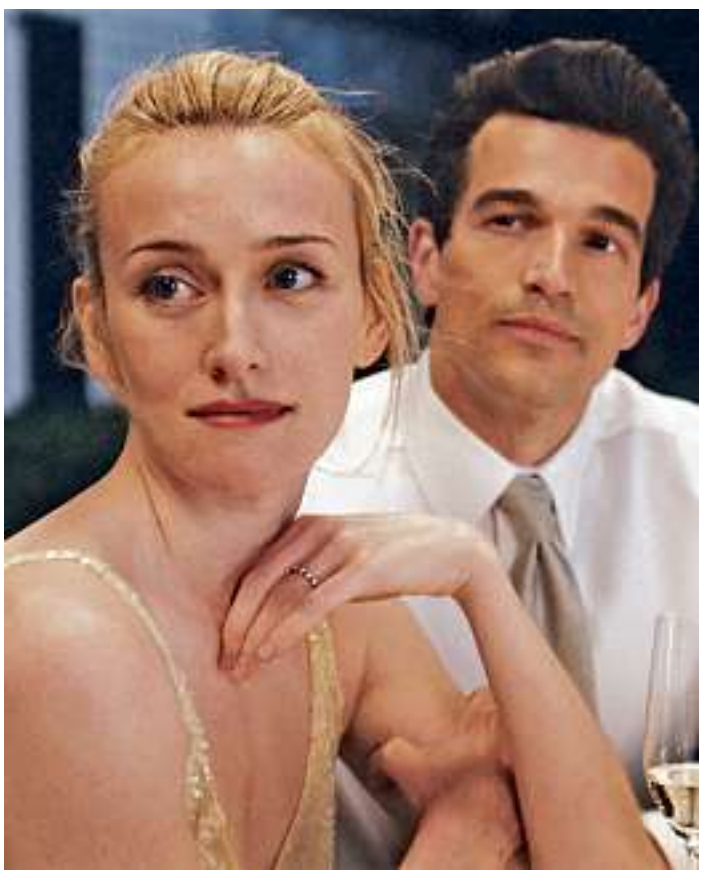
**LIVE FROM LONDON** A 'Saturday Night Live U.K.' skit. At right, Sarah Pidgeon and Paul Anthony Kelly in 'Love Story.'



# 2026 Culture Catch-Up

*Continued from page D1*

**1 | WATCH** *A charming murder story*
**'The Sheep Detectives'**
The movie follows a flock (led by an ewe voiced by Julia Louis-Dreyfus) who set out to solve the murder of their shepherd (Hugh Jackman). It has lots of silly humor, but it's also a moving meditation on death that has adults sobbing. *—Esther Zuckerman, film and culture reporter*

**2 | WATCH** *A way to keep the World Cup going*
**'Twenty Twenty Six'**
Warring host nations and juggling soccer balls fill this British mockumentary, a six-episode series on BritBox about the staff organizing the 2026 World Cup from Miami. *—Ellen Gamerman, culture reporter*

**3 | READ** *A beach book with a Pulitzer pedigree*
**'Villa Coco'**
Andrew Sean Greer, whose "Less" took home the top fiction honor in 2018, visits the Italian countryside in his latest comedic novel. The real delights are the eccentricities of a baronessa who shouts "Koo-Koo" (and is, in fact, a little cuckoo herself). *—E.G.*

**4 | WATCH** *The movie that brought Gen Z to the theater*
**'Obsession'**
Love can make you crazy. No movie this year understands that better than this $750,000 film, directed by a 26-year-old. It just surpassed $400 million at the global box office. If you're a scaredy-cat, maybe watch it during the day. *—Ashley Wong, culture reporter*

**5 | LISTEN** *Boldface nonfiction authors read their books*
The audio versions of **'Famesick,' 'London Falling'**
Actor-writer Lena Dunham's voice cracks with emotion in ways "Girls" fans will recognize as she narrates "Famesick," her memoir. In "London Falling," journalist Patrick Radden Keefe examines the botched police probe into the death of a British teenager who posed as a Russian oligarch's son. *—E.G.*

**6 | WATCH** *Two shows set in coastal New England*
**'Widow's Bay,' 'The Real Housewives of Rhode Island'**
In the fictional town of "Widow's Bay," Matthew Rhys sails through drama, horror and comedy. Then there's "The Real Housewives of Rhode Island." Bravo's newest franchise features the usual, plus a local snack known as "pizza chips." *—Myles Tanzer, deputy director, Talent Lab*

**7 | WATCH** *A marriage plot set in the Austen Cinematic Universe*
**'The Other Bennet Sister'**
Jane Austen's "Pride and Prejudice" inspires this BritBox drama about Mary Bennet (Ella Bruccoleri), a sister largely overlooked in the book. Mary's on a speed train to spinsterhood when she's summoned to London, where suitors await. *—E.G.*

**8 | LISTEN** *A country music breakout*
Ella Langley's **'Dandelion'**
No one has dominated country music in 2026 like Langley, who released her sophomore album, "Dandelion," in April. Her single "Choosin' Texas" has spent 14 weeks at No. 1. *—Elias Leight, music reporter*

**9 | WATCH** *If you're looking for drama*
**'A Knight of the Seven Kingdoms,' 'DTF St. Louis,' 'Love Story'**
"Game of Thrones" spinoff "A Knight of the Seven Kingdoms" follows a hedge knight (Peter Claffey) who adopts a pipsqueak squire (Dexter Sol Ansell). For something more modern, the sad suburbanites of HBO's "DTF St. Louis" might do the trick, or the tragedy of "Love Story: John F. Kennedy Jr. & Carolyn Bessette" from FX. *—E.Z.*

David Harbour, left, and Jason Bateman in 'DTF St. Louis.'

**10 | WATCH** If you're looking for comedy
**'Nirvanna the Band the Show the Movie,' 'Saturday Night Live U.K.,' 'The Fall and Rise of Reggie Dinkins.'**
The title may be stupefying, but "Nirvanna the Band the Show the Movie" is clever and extremely Canadian. Other wins include the cast of "Saturday Night Live U.K." rising to the occasion, and original "SNL" alums Tracy Morgan and Bobby Moynihan finding comedic chemistry with Daniel Radcliffe in "The Fall and Rise of Reggie Dinkins." *—John Jurgensen, entertainment reporter*

Tracy Morgan, left, and Daniel Radcliffe in 'The Fall and Rise of Reggie Dinkins.'

Boards of Canada's 'Inferno' is the duo's first album in 13 years. The group layers synthesizers as vocal samples drift in and out of tracks. At left, Lily (voiced by Julia Louis-Dreyfus) and Hugh Jackman in 'The Sheep Detectives.'

**11 | LISTEN** *Three great podcast episodes*
Steve Carell on **'Good Hang,'** Lena Dunham on **'Las Culturistas,'** Sarah J. Maas on **'Call Her Daddy'**
All of these podcasters are at the top of their game, but if you want to sample an exceptional episode, listen to Carell go long with Amy Poehler about growing up in Massachusetts. If snark is what you're after, try Dunham's episode where she talks about meeting Apple CEO Tim Cook. Romantasy titan Maas talks to Alex Cooper about her long-awaited release dates for her next books. *—A.W.*

**12 | WATCH** *A legend's latest documentary*
**'Kingdom'**
Sir David Attenborough, who turned 100 this year, is still at it. "Kingdom" is a six-parter filmed in a Zambian national park over five years. It follows rival families of lions, leopards, hyenas and wild dogs as they compete for dominance. *—Sebastian Modak, lifestyle editor*

Worth it: 'Hacks' with Jean Smart, left, and Hannah Einbinder.

**13 | WATCH** *A milestone in reality shows*
**'Survivor 50'**
While this season is advertised as "for the fans," you don't need to be a "Survivor" expert to enjoy the strategic gameplay, backstabbing and twists in this TV competition. *—M.T.*

**14 | READ** *The final installment of a Pulitzer winner's trilogy*
Colson Whitehead's **'Cool Machine'**
Throughout Whitehead's Harlem Trilogy, Ray Carney leads a double life: as a middle-class Black entrepreneur and family man, and as a grifter lured into the underworlds of a turbulent metropolis. In "Cool Machine," Carney clings to the outward trappings of respectability as he tries to outsmart a city that insists success and security mean playing by its rules, even the crooked ones. *—Chris Knutsen, editor-at-large*

**15 | LISTEN** *Song of summer contenders*
Zara Larsson's **'Midnight Sun,'** Olivia Rodrigo's **'Stupid Song'** and Drake's **'Janice'**
Larsson released her debut album over a decade ago, but the Swede's finally won over American audiences with the hedonistic trance-pop of "Midnight Sun." Rodrigo, whose hit "good 4 u" nearly won the summer of 2021, is back with "Stupid Song," a theatrical eruption of longing. Drake's bid to soundtrack the warm months is "Janice," which incorporates vocal modulation that makes the refrain—"beep beep baby"—strangely addictive. *—E.L.*

Country music sensation Ella Langley is back.

**16 | WATCH** *An artist at work*
**'The Christophers'**
The painter is fictional in Steven Soderbergh's new movie, but he is played by legendary 87-year-old actor Ian McKellen. The actor gives what's arguably one of his finest performances as a David Hockney-esque artist, with a biting wit. *—E.Z.*

**17 | WATCH** *Shows worth catching up on*
**'Hacks,' 'The Pitt,' 'Industry'**
Showbiz comedy "Hacks" wrapped its five-season run with more hilarious barbs from Jean Smart. Hospital drama "The Pitt" offered a heart-pounding second season. And the fourth season of "Industry" took the action off the trading floor. *—E.Z.*

**18 | LISTEN** *An accessible electronic album*
Boards of Canada's **'Inferno'**
"Inferno," the first album from the duo in 13 years, should satisfy a devoted fan base. But new listeners may find its gorgeous gloom enticing. *—E.L.*

**19 | WATCH** *When love goes wrong*
**'The Drama,' 'The Invite,' 'Beef' Season 2**
"The Drama" has Robert Pattinson and Zendaya spiraling before a wedding. "The Invite" finds Olivia Wilde and Seth Rogen questioning their commitment when their sexy neighbors (Edward Norton and Penélope Cruz) show up. "Beef" season 2 has enough friction between two couples working at a country club to start a fire. *—E.Z.*

**20 | LISTEN** *A tragic hero discusses birding*
**'Get Birding With Sean Bean'** podcast
The award-winning British podcast "Get Birding" welcomed a new host better known for portraying doomed heroes like Ned Stark in "Game of Thrones," than for his knowledge of green woodpeckers. Bean brings a lifelong passion for birds. *—S.M.*

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BIRCH THOMAS FOR WSJ

# Not the Vines You Know

## Maryland's wineries are pouring increasingly compelling bottles—but it's the ambitious food, sweeping views and easy access that make this road trip worth it

By Jane Black

**AT BURNT HILL** Farm, a hilltop winery in Clarksburg, Md., a suburb an hour outside of Washington, D.C., the best table is any table, 45 minutes before sunset.

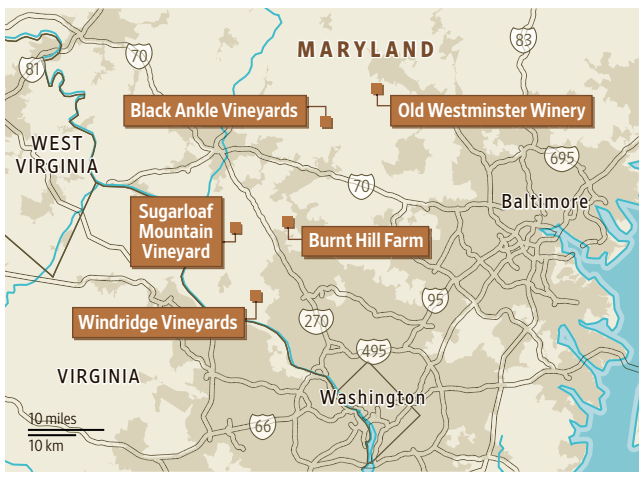
On a recent evening, from a seat at the restaurant's fluted blond-wood bar, I watched as a blaze of honeyed light poured through a wall of windows overlooking sloping vineyards and the Appalachian foothills. It was enough to distract me from my glass of toasty sparkling wine, not to mention the food spread out before me: a silky torchon of cured pork from woolly Mangalitsa pigs, raised on the property, and a hunk of roasted tomato focaccia laced with garlic pesto.

**'Maryland wine has been our little secret,' said Dave McIntyre, who runs a wine newsletter.**

Maryland is not exactly known for its wines—Virginia has hogged the spotlight in the region for decades. That might be starting to change, thanks partly to Burnt Hill, which opened in 2025 and introduced a 12-seat chef's counter at the vineyard's restaurant this spring.

"Maryland wine has been our little secret," said Dave McIntyre, author of the newsletter Dave McIntyre's WineLine, who lives in Silver Spring, Md. "There is an exciting cadre of wineries here setting a high bar for quality."

There are around 85 wineries in Maryland, where some of the best conditions for growing grapes can be found in a small area northwest of Washington, according to McIntyre, a former wine critic for the Washington Post. A day trip is plenty of time to visit several—and, if you plan right, spoil yourself with exceptional food.




ANNA DEEN/WSJ

Focaccia, top, served at the chef's counter at Burnt Hill Farm, above. Below, the interior of Black Ankle Vineyards.

**STATE OF WINE** A view from the vineyard at Maryland's Old Westminster Winery, above. At left, Old Westminster's Honey, a white blend, served with a selection of pizzas.

### A place to gather

I began a day of winery hopping at Old Westminster Winery, which is owned by the same family as Burnt Hill.

Until 2020, the Westminster, Md., operation looked a lot like any basic winery: a no-frills tasting room and picnic tables where guests could eat food brought from home or purchased from an on-site truck.

Old Westminster set up outdoor igloos during the pandemic, then replaced them with a modernist village of A-frame "cabanas." The huts seat up to six and can be reserved for tastings or a meal of wood-fired pizzas from the winery's restaurant, which opened in 2020. Its menu includes gussied-up side dishes like honey-glazed carrots with whipped feta. Tae Strain, the chef who oversees the restaurant at Burnt Hill, also runs Old Westminster's kitchen.

Old Westminster's wines are more approachable (read: less expensive) than Burnt Hill's. The staff, who are knowledgeable and enthusiastic, are no less serious about the product. On a hot day, they're likely to steer you toward the strawberry-hued rosé or the Honey, a blend of Viognier, Chardonnay and Riesling that is finished with local honey—an easy sell even to those who don't like sweet wine.

### Sip and stroll

A 20-minute drive from Old Westminster, serious Bordeaux-style blends await at Black Ankle Vineyards. Order a flight or a bottle at the bar, then head outside to the winery's food truck for a plate of arancini or a smash burger. On weekends, for $25, an hour-long guided tour takes visitors around the farm and includes tastings of wines that might not otherwise be available by the glass.

Taylor, our cheery guide, met us wearing a short-sleeved button-down shirt and a bow tie. As he led us around, he delved into the nerdy details of winemaking and provided back stories to the winery's most popular bottles. The light-bodied red, Passeggiata, he explained, was a rosé gone wrong when winemakers forgot to remove the grapes' skins at the correct time.

Next spring, Black Ankle's proprietors will debut Live Edge Vineyards, a new winery in Clarksburg, not far from Burnt Hill. The property will have a tasting room and tables among the trees, on platforms between 6 and 30 feet off the ground.

### Another stop—or two

To round out your tour of the state's wineries, you have options. You could head to Darnestown where Windridge Vineyards makes a vibrant Lambrusco-like sparkling red. If you want to walk off lunch, take a hike up Sugarloaf Mountain before having a final glass of wine at Sugarloaf Mountain Vineyard.

## A Taste of Maryland: Six Bottles to Try

**1 Boordy Vineyards Albariño, *$25;* and Albariño Dry Bench Reserve, *$46*** McIntyre, the wine critic, loves these Albariños. The first has a crisp, refreshing profile that makes it an ideal partner for Chesapeake crabs. The Reserve is more substantial, with flavors of lemon curd, white flowers and toasted nuts.

**2 Old Westminster Rosé 2025, *$34*** The ideal summer wine, it's refreshing and a bit flirty but with enough complexity from a blend of (mostly) classic Bordeaux grapes to satisfy.

**3 Burnt Hill Dreamscape 2021, *$88* (available for purchase only on-site)** There isn't much Gamay grown in Maryland, making this juicy red, with notes of ripe strawberry and cherry, even more special.

**4 Black Ankle Vineyards Rolling Hills 2023, *$52*** A Bordeaux-style blend that embodies Black Ankle's strength: elegant and ageable reds.

**5 Windridge Vineyards Sparkling Chambourcin, *$41*** If you like Lambrusco, you'll love this sparkling, light-bodied red. Pair it with barbecue or pizza.

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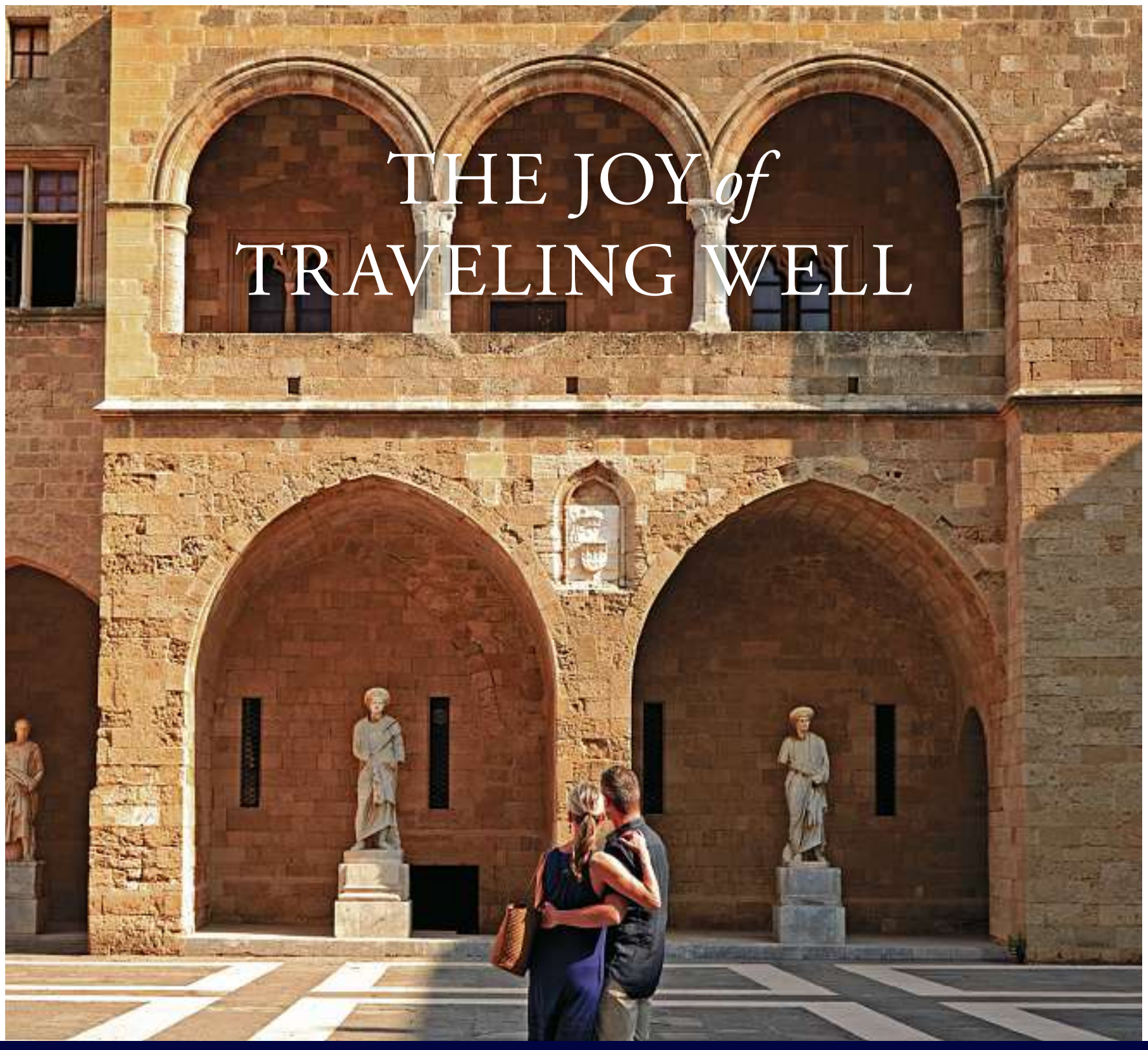


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RUMBLE SEAT

JANE STOCKDALE FOR WSJ

# Driven to Bliss in a Lotus Emira

**As rival midengine sports cars vanish, Lotus's fleet four-cylinder Emira proves that tail-out attitude and physical connection aren't dead yet**

By Dan Neil

I **APOLOGIZE** if the following seems a little hand wavy. My purpose is to put a name to the joy I felt last week, testing the Lotus Emira 420 Sport at the company's test track in the East Anglia region of England. I'm sure the scientific explanation involves ecstatic brain hormones, leading to an overstimulated smile reflex. Maybe I wasn't hugged enough as a kid, because these G-forces felt like love.

Whatever, it's about physical connection. It's about intimacy. It's about the fact that the Lotus's polar axis runs exactly through the driver's inboard hip, so that the machine rotates around them and not some invisible pivot point, just off-center. The Lotus puts you in Mach's bucket seat, the center of the universe.

It's made of the joy-buzzer energy coming into your palms through the rack-and-pinion steering, the way the wheel gains heft and Braille-like sensitivity as cornering loads and slip angles increase. It's in the way the steering hydraulics softly attenuate kickback at full lock. For all their adjustability, electrically assisted power steering systems have the tactility of a Ouija planchette. I'm looking at you, Ferrari.

Fresh from a midlifecycle spa treatment, the midengine, two-seat Emira continues to offer a choice of powertrains, each with its enchantments. For stick-and-rudder drivers, the supercharged 3.5-liter V6 (406 hp) is paired with a six-speed, triple-pedal manual transmission. The car I drove, the 420 Sport, uses a Mercedes-AMG-supplied 2.0-liter turbo-four and eight-speed dual-clutch automated transaxle, actuated with beautifully weighted shift paddles behind the steering wheel.

Ring-a-ding-ding. Bang bang bang. Lotus bills the 420 Sport as the fastest production four-cylinder in the world, with a 0-60 mph acceleration of 3.7 seconds and a top speed of 186 mph. The upgrade includes tarted up air-inlet shrouds on the side and louvered panels in the front wings, notionally to help evacuate air pressure at high speed. I'd option-delete those, if I were speccing a car for myself.

A couple of laps in the eager and edgy 420 Sport made me realize how long it had been since I'd actually had fun—that's the word!—in a sports car. And that's because Lotus is the only production carmaker that truly embraces the slide.

Other sports-car makers keep their valued clients planted firmly to the asphalt using complex traction and stability systems, ready to step in if the computer senses a loss of traction or imminent loss of control. For Lotus, the imminence is just the point. The thrill of these frisky flyweights is getting them to, and holding them at and around, the instantaneous limits of the tires—sawing at the wheel, pouring on the coal, pitching and catching. For these cars, and these engineers, the Blue Bird of Happiness sounds like a squawking flock of Michelins.

**FAST TRACK** Refreshed for 2027, the lineup for the Lotus Emira now includes the Emira 420 Sport ($122,900, before options). Available in left-hand-drive and right-hand-drive versions, it's roughly the size of Porsche's departing 718 Boxster. Columnist Dan Neil in the driver's seat at the Lotus HQ Test Track in Hethel, England, below.

Lotus dryly refers to this regime as the "envelope of progressivity." It defines how predictably and agreeably a car will swivel its hips, under braking and throttle, without spinning out. The 420 Sport's wicked sashay emerges from a lot of cold calculations: a 40/60 rearward weight distribution; a 101.2-inch wheelbase; and an open rear differential, putting 369 lb-ft of engine torque to the pavement, if sometimes fitfully. Shout-outs and hosannas too to the custom-compounded Michelin Pilot Sport Cup 2s. The tires have a sweet spot a mile wide.

Behind all that is the 420 Sport's most unfair advantage. It weighs 3,153 pounds (with the Lightweight Handling pack). For comparison, a Corvette Z06—a competitor in the midengine sports car category—is about 350 pounds heavier. The Z06 is many things, but not "tossable."

Sixty years ago, race engineer Colin Chapman moved Lotus Cars to Hethel, England, repurposing the nearby World War II-era airfield as a test circuit. His mantra: Add lightness. Chapman proceeded to build a series of brilliant sports cars, win a lot of Formula One championships and erase millions in investments before his death in 1982. In 2017, the Chinese conglomerate Geely took a controlling interest in the company.

You might recall Lotus's best-selling car, the Mazda Miata (1989). When the Japanese company decided to build a British-style roadster, it lovingly plagiarized the '60s-era Lotus Elan.

The runway-turned-test track was overhauled in 2011—new layout, fresh asphalt, safety barriers—and now includes two clinically perfect, constant-radius 180-degree turns: the hairpins of destiny.

With a sweaty Lotus driving instructor as passenger, I was determined to make a good showing by pulling off a picture-perfect drift all the way through the corner—a maneuver I had successfully completed zero times, in other cars and other venues. I drove in hot, at the top of second gear, breathed the throttle, twitched the steering wheel (more like gesturing "thataway") and got back on the gas.

And then, a miracle: It rotated—surely, predictably—to a tailout posture, as easily as it went straight. It didn't spin, and it didn't fight back. I managed to hold it like that, balanced on the throttle, slithering and sidestepping, until I had to join the main straight. In another pass, I was even able to upshift from second to third gear without losing the drift, swinging wide at the track edge, trailing clouds of glory.

**A couple of laps in the 420 Sport made me realize how long it had been since I'd actually had fun in a sports car.**

In something of an irony, Lotus's historic approach to cornering and traction management—crossed up, tail out, mustaches ablaze—looks a lot like what the kids call drifting. The plan is for Lotus to continue to build all its IC-powered sports cars at the sheds in Hethel, the brand's emotional home. At that rate, Hethel could go on banging out piston-powered sports cars for many years.

That sounds like good news, right? It's not like the U.S. market is oversupplied with charismatic midengine sports cars. Last year, Porsche ended production of its wonderful 718 (Cayman and Boxster) series, eliminating the Emira's most nose-to-nose competitor. However, Lotus company officials were quietly fretting about potential tariffs on European imports and restrictions on Chinese software that could derail the business plan in the U.S.

It's not at all clear if the Trump administration will let Lotus slide.

## 2027 LOTUS EMIRA 420 SPORT

**Base price** $122,900
**Price, as tested** $195,520
**Powertrain** midmounted turbocharged 2.0-liter DOHC in-line-four cylinder; eight-speed dual-clutch transmission; open rear differential

**Power/torque** 421 hp at 6,500 rpm/369 pound-feet at 5,000 rpm
**Length/wheelbase/width/height** 173.7/101.2/74.6 (mirrors folded)/48.4 inches
**Curb weight** 3,153 pounds (with Lightweight Handling pack)

**0-60 mph** 3.7 seconds
**Top speed** 186 mph
**Estimated fuel economy** 18/26/21 mpg
**Cargo capacity** 5.3 cubic feet (front trunk); 7.35 cubic feet (behind seats)

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